

EIGHTY-THIRD DAY

St. Paul, Minnesota, Saturday, March 4, 1978

The Senate met at 9:00 o'clock a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Ashbach	Engler	Knoll	Olhoft	Stokowski
Bang	Frederick	Laufenburger	Penny	Strand
Benedict	Gunderson	Lessard	Peterson	Stumpf
Bernhagen	Hanson	Luther	Pillsbury	Ueland, A.
Chmielewski	Jensen	McCutcheon	Renneke	Vega
Coleman	Johnson	Moe	Schmitz	Willet
Davies	Keefe, S.	Nelson	Setzepfandt	
Dieterich	Kleinbaum	Nichols	Sikorski	
Dunn	Knaak	Ogdahl	Staples	

The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Rod Slessor.

The roll was called, and the following Senators answered to their names:

Anderson	Frederick	Knutson	Penny	Spear
Ashbach	Gearty	Laufenburger	Perpich	Staples
Bang	Gunderson	Lessard	Peterson	Stokowski
Benedict	Hanson	Lewis	Pillsbury	Strand
Bernhagen	Hughes	Luther	Purfeerst	Stumpf
Borden	Humphrey	McCutcheon	Renneke	Ueland, A.
Chenoweth	Jensen	Menning	Schaaf	Ulland, J.
Chmielewski	Johnson	Moe	Schmitz	Vega
Coleman	Keefe, J.	Nelson	Setzepfandt	Wegener
Davies	Keefe, S.	Nichols	Sieloff	Willet
Dieterich	Kleinbaum	Ogdahl	Sikorski	
Dunn	Knaak	Olhoft	Sillers	
Engler	Knoll	Olson	Solon	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Mrs. Brataas, Messrs. Kirchner and Schrom were excused from the Session of today. Mr. Menning was excused from the Session of today from 10:00 o'clock a.m. to 12:00 o'clock noon. Mr. Peterson

was excused from the Session of today at 11:45 o'clock a.m. Mr. Frederick was excused from the Session of today at 12:30 o'clock p.m. Mr. Ueland, A. was excused from the Session of today at 4:00 o'clock p.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

March 2, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed, and deposited in the Office of the Secretary of State, S. F. Nos. 682, 698, 1004, and 1178.

Sincerely,
Rudy Perpich, Governor

March 2, 1978

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1978 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1978	Date Filed 1978
682		464	March 2	March 2
698		465	March 2	March 2
1004		466	March 2	March 2
1178		467	March 2	March 2
	1065	468	March 2	March 2
	1180	469	March 2	March 2

Sincerely,
Joan Anderson Growe,
Secretary of State

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mrs. Staples, Messrs. Borden, Gearty and Sillers introduced—

S. F. No. 2373: A bill for an act relating to courts; permitting referees in certain courts; repealing Minnesota Statutes, 1977 Supplement, Section 484.70.

Referred to the Committee on Judiciary.

Mr. Perpich introduced—

S. F. No. 2374: A bill for an act relating to education; permitting Independent School District No. 706 (Virginia) to use a surplus in the debt service fund for capital expenditures.

Referred to the Committee on Education.

Mr. Johnson introduced—

S. F. No. 2375: A bill for an act relating to public land acquisition; limiting acquisition in certain counties.

Referred to the Committee on Local Government.

Messrs. Davies and Merriam introduced—

S. F. No. 2376: A bill for an act relating to courts; costs and disbursements; authorizing the awarding of attorney's fees in certain actions or proceedings; amending Minnesota Statutes 1976, Chapter 549, by adding a section.

Referred to the Committee on Judiciary.

Mr. Sikorski introduced—

S. F. No. 2377: A bill for an act relating to the comprehensive health association; requiring creation of an operating reserve; prescribing premium rates; appropriating money; amending Minnesota Statutes 1976, Section 62E.10, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Section 62E.08, Subdivision 1; repealing Minnesota Statutes, 1977 Supplement, Section 62E.08, Subdivision 2.

Referred to the Committee on Commerce.

Mr. Strand introduced—

S. F. No. 2378: A bill for an act relating to education; providing funds for public education television; appropriating money.

Referred to the Committee on Education.

Mr. Nichols introduced—

S. F. No. 2379: A bill for an act relating to public welfare; medical assistance for needy persons; modifying limitations on allowable charges to nonmedical assistance residents of nursing homes receiving medical assistance payments; amending Minnesota Statutes, 1977 Supplement, Section 256B.48, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Menning, Chmielewski, Ulland, J. and Sikorski introduced—

S. F. No. 2380: A bill for an act relating to programs for Minnesota Sioux Indian communities; appropriating money for home improvement grants and legal assistance; amending Minnesota Statutes, 1977 Supplement, Section 16.97, Subdivision 1.

Referred to the Committee on Energy and Housing.

Mr. Humphrey, Mrs. Brataas and Mr. Dieterich introduced—

S. F. No. 2381: A bill for an act relating to education; public radio; providing grants for noncommercial educational radio stations serving Minnesota and supervision of grant expenditures; appropriating money.

Referred to the Committee on General Legislation and Veterans Affairs.

Mr. Humphrey, Mrs. Brataas and Mr. Setzepfandt introduced—

S. F. No. 2382: A bill for an act relating to education; public broadcasting; extending the expiration date of the legislative study commission on public broadcasting; amending Laws 1977, Chapter 445, Section 3, Subdivision 3.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Strand and Luther introduced—

S. F. No. 2383: A bill for an act relating to state environmental policy; concerning final decisions relating to power plant sites; expanding the time within which the environmental quality board may delay implementation of a final decision; amending Minnesota Statutes 1976, Section 116D.04, Subdivision 9.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Solon, Lewis, Nelson, Sikorski and Kirchner introduced—

S. F. No. 2384: A bill for an act relating to education; mentally retarded children and adults; appropriating money for special physical fitness programs.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Purfeerst introduced—

S. F. No. 2385: A resolution opposing the proposed fuel economy standards for 1980 to 1981 light trucks, vans and utility vehicles; indicating this opposition to the secretary of the United States Department of Transportation.

Referred to the Committee on Transportation.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 1613:

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 2, 1978

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 1637.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 3, 1978

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 804: A bill for an act relating to highway traffic regulations; driving under the influence of alcohol or controlled substances; chemical tests and consent therefor; providing for immediate notice of revocation of a driver license or permit, retention of the license or permit by a court or peace officer and the substitution of temporary licenses under certain circumstances; providing for county court jurisdiction over prosecution for certain offenses; prescribing penalties; amending Minnesota Statutes 1976, Sections 169.121; 169.123; 169.127; and Chapter 169, by adding sections; repealing Minnesota Statutes 1976, Section 171.245.

Senate File No. 804 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 2, 1978

Mr. Davies moved that the Senate do not concur in the amendments by the House to S. F. No. 804 and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1787: A bill for an act relating to the national guard; amending the state military code; providing penalties; amending

Minnesota Statutes 1976, Sections 192.06; 192.11; 192.12; 192.261, Subdivision 5; 192.32; 192.33; 192.34; and Chapter 192, by adding a section; repealing Minnesota Statutes 1976, Sections 190.28; 192.09; and 192.10.

Senate File No. 1787 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

CONCURRENCE AND REPASSAGE

Mr. Penny moved that the Senate concur in the amendments by the House to S. F. No. 1787 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1787 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knoll	Penny	Staples
Bang	Gearty	Laufenburger	Peterson	Stokowski
Benedict	Gunderson	Lessard	Pillsbury	Strand
Bernhagen	Hanson	Luther	Purfeerst	Stumpf
Borden	Hughes	Menning	Renneke	Ueland, A.
Chmielewski	Jensen	Moe	Schaaf	Ulland, J.
Coleman	Johnson	Nelson	Schmitz	Vega
Davies	Keefe, J.	Nichols	Setzepfandt	Willet
Dieterich	Kleinbaum	Olhoff	Sikorski	
Dunn	Knaak	Olson	Spear	

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1698: A bill for an act relating to armories; authorizing disposition of unused armories to counties in addition to municipalities; amending Minnesota Statutes 1976, Section 193.36, Subdivision 2.

Senate File No. 1698 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

CONCURRENCE AND REPASSAGE

Mr. Chmielewski moved that the Senate concur in the amendments by the House to S. F. No. 1698 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1698 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Laufenburger	Penny	Spear
Bang	Gunderson	Lessard	Peterson	Staples
Benedict	Hanson	Luther	Pillsbury	Stokowski
Bernhagen	Hughes	McCutcheon	Purfeerst	Strand
Chmielewski	Jensen	Menning	Renneke	Stumpf
Coleman	Johnson	Moe	Schaaf	Ueland, A.
Davies	Kleinbaum	Nelson	Schmitz	Ulland, J.
Dieterich	Knaak	Nichols	Setzepfandt	Vega
Dunn	Knoll	Olhoff	Sikorski	Willet
Engler	Knutson	Olson	Solon	

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 85.

H. F. No. 85: A bill for an act relating to governmental agencies; providing for an open appointment process; requiring reports from appointing authorities and the commissioner of administration; providing for publication of agency vacancies.

And the House respectfully requests that a Conference Committee of three members be appointed thereon:

Wenstrom, Langseth and Anderson, R. have been appointed as such committee on the part of the House.

House File No. 85 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 3, 1978

Mr. Luther moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 85, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1137, 1345, 1787 and 1808.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 2, 1978

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1881, 1916, 2111, 2372, 1612, 1931, 1773, 2020, 2023, 2175, 2283 and 649.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 3, 1978

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 1137: A bill for an act relating to juvenile courts; disposition of delinquent children; counselling program; restitution; amending Minnesota Statutes 1976, Section 260.185, Subdivision 1, and by adding a subdivision.

Referred to the Committee on Judiciary.

H. F. No. 1345: A bill for an act relating to water well contractors; requiring water well drilling machines to be operated by licensed water well contractors; amending Minnesota Statutes 1976, Sections 156A.02, Subdivision 3; 156A.03, Subdivisions 1 and 2; 156A.05, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 1787: A bill for an act relating to education; higher education coordinating board; providing financial assistance.

Referred to the Committee on Education.

H. F. No. 1808: A bill for an act relating to special school district No. 1 of the city of Minneapolis; establishing four year terms of office for directors of the board of education; amending Laws 1959, Chapter 462, Section 3, Subdivision 1, as amended and renumbered.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1748 now on General Orders.

H. F. No. 1881: A bill for an act relating to agriculture; family farm security program; providing for exclusion from gross income of interest on certain loans; amending Minnesota Statutes 1976, Section 41.58, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 1916: A bill for an act relating to taxation; defining the use of sales ratio studies; requiring social security numbers; providing a procedure for handling ad valorem tax abatements; providing a uniform appeal and demand period; clarifying classification of certain homesteads; recodifying the classification of resort property; allowing a special levy for commuter van program; providing adjustments to the levy limit base; defining resident estate and resident trust for income tax purposes; defining income in computing low income credit; providing apportionment in computing minimum tax on preference items; allowing a carryback period for out-of-state losses; authorizing the commissioner of revenue to release information to assessors; amending Minnesota Statutes 1976, Sections 270.07, by adding a subdivision; 270.075, Subdivision 2; 270.076, Subdivision 1; 272.08; 273.13, Subdivision 19, and by adding a subdivision; 290.01, by adding subdivisions; 290.46; 290.47; 290.48, Subdivisions 1 and 2; 290A.11, Subdivision 1; 290A.12; 292.08, Subdivision 4; 292.09, Subdivision 3; 294.02; 294.021; 297.07, Subdivision 3; 297.09, Subdivision 5; 297.35, Subdivision 3; 297.37, Subdivision 5; 297A.31, Subdivision 1; 297A.33, Subdivision 1; and Chapter 270, by adding a section; Minnesota Statutes, 1977 Supplement, Sections 124.212, Subdivision 11; 273.13, Subdivisions 4 and 6; 275.50, Subdivision 5; 275.51, Subdivision 3d; 290.012, Subdivision 2; 290.091; 290.17; 298.282, Subdivision 2; 298.48, Subdivision 4; repealing Laws 1977, Chapter 307, Section 27.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 2111: A bill for an act relating to aeronautics; providing for reimbursement for services; changing the permitted number of certain types of airports; permitting municipalities flexibility in airport acquisition; amending Minnesota Statutes 1976, Sections 360.015, Subdivision 7; 360.032, by adding a subdivision; and 360.305, Subdivision 3.

Referred to the Committee on Transportation.

H. F. No. 2372: A bill for an act relating to public employee labor relations; including physical therapists and occupational therapists in the definition of "teacher"; amending Minnesota Statutes 1976, Section 179.63, Subdivision 13.

Referred to the Committee on Employment.

H. F. No. 1612: A bill for an act relating to military justice; providing for military judges; modifying court composition and punishment authority; making other changes consistent and current federal military law; amending Minnesota Statutes 1976, Sections 192A.015; 192A.02; 192A.045; 192A.06; 192A.085; 192A.09; 192A.10; 192A.105; 192A.11, Subdivision 3; 192A.12; 192A.13; 192A.14; 192A.145, Subdivisions 3 and 4; 192A.15; 192A.155; 192A.16; 192A.165; 192A.18, Subdivisions 1 and 2; 192A.195; 192A.205; 192A.21, Subdivision 2; 192A.215; 192A.22;

192A.225; 192A.23; 192A.245; 192A.25, Subdivision 2; 192A.265, Subdivision 1; 192A.275; 192A.28; 192A.29; 192A.305; 192A.315; 192A.345, Subdivisions 2 and 3; 192A.355; 192A.47; 192A.555; 192A.585; 192A.595, Subdivision 1; 192A.61, Subdivision 3; 192A.615; Chapter 192A by adding sections; and repealing Minnesota Statutes 1976, Sections 192A.01, Subdivision 2; 192A.04, Subdivisions 4 and 5; 192A.125; and 192A.565.

Referred to the Committee on Judiciary.

H. F. No. 1931: A bill for an act relating to agriculture; corporate farming; providing new definitions; declaring the desirability of family farm stability; amending Minnesota Statutes 1976, Sections 268.04, Subdivision 31; 308.11; 500.24; and Minnesota Statutes, 1977 Supplement, Section 176.041, Subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 1773: A bill for an act relating to unemployment compensation; providing limited benefits to certain employees; amending Minnesota Statutes, 1977 Supplement, Section 268.09, Subdivision 1.

Referred to the Committee on Employment.

H. F. No. 2020: A bill for an act relating to workers' compensation; changing the definition of family farms; amending Minnesota Statutes, 1977 Supplement, Section 176.011, Subdivision 11a.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1915 now on General Orders.

H. F. No. 2023: A bill for an act relating to retirement; the highway patrolmen's retirement fund; payment of survivor benefits; amending Minnesota Statutes 1976, Section 352B.11, Subdivision 2.

Referred to the Committee on Governmental Operations.

H. F. No. 2175: A bill for an act relating to the city of South St. Paul; authorizing an on-sale liquor license for Wakota arena.

Referred to the Committee on Commerce.

H. F. No. 2283: A bill for an act relating to the division of highway patrol; concerning salaries; increasing the salary of a corporal; amending Minnesota Statutes, 1977 Supplement, Section 299D.03, Subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 2045.

H. F. No. 649: A bill for an act relating to intoxicating liquor; authorizing certain counties to issue off-sale liquor licenses in

unorganized areas of the county; amending Minnesota Statutes 1976, Section 340.11, by adding a subdivision.

Referred to the Committee on Commerce.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S. F. No. 2016 and reports pertaining to appointments. The motion prevailed.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 2045: A bill for an act relating to the division of highway patrol; concerning salaries; increasing the salary of a corporal; amending Minnesota Statutes, 1977 Supplement, Section 299D.03, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, after line 29, insert

"Sec. 2. [EFFECTIVE DATE.] This act is effective retroactive to July 6, 1977."

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Employment, to which was referred

S. F. No. 2178: A bill for an act relating to workers' compensation; providing retraining benefits for certain employees; amending Minnesota Statutes, 1977 Supplement, Section 176.101, Subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 9, reinstate the stricken language

Page 2, lines 10 to 12, strike the new language

Page 2, line 13, reinstate "of"

Page 2, line 13, reinstate "compensation"

Page 2, lines 14 to 16, reinstate the stricken language

Page 2, line 16, strike "if"

Page 2, lines 20 and 21, strike the new language and insert:

"No payment shall be due under section 176.101, subdivisions 1, 2, 4, or 5 for the actual period of retraining for which weekly compensation benefits are paid under this subdivision."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

S. F. No. 2159: A bill for an act relating to agriculture; public local grain warehouses; requiring warning on certain grain purchase contracts; amending Minnesota Statutes 1976, Section 232.13.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, strike "Such" and insert "The"

Page 1, lines 15, 16, and 19, strike "such" and insert "the"

Page 1, line 19, after "rules" strike "and"

Page 1, line 20, strike "regulations" and "said"

Page 2, line 4, strike "Such" and insert "The"

Page 2, lines 6, 10, 12, and 16, strike "such" and insert "the"

Page 3, line 2, strike "*the buyer*" and insert "*a purchaser licensed under chapter 232*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

S. F. No. 1772: A bill for an act relating to game and fish; exemptions from fishing license requirements for certain institutional inmates; amending Minnesota Statutes 1976, Section 98.47, Subdivision 12.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1976, Section 97.40, Subdivision 27, is amended to read:

Subd. 27. ~~"Minnow~~ "*Live bait retailer*" includes any person who is engaged in the business of selling minnows or leeches at retail from an established place of business, or transporting minnows in excess of 12 dozen or leeches in excess of 50 dozen from a place of wholesale purchase to his place of business. ~~"Minnow~~ "*Live bait dealer*" includes any person engaged in taking minnows or leeches for sale, buying minnows or leeches for resale, selling minnows or leeches at wholesale, or transporting minnows or leeches for sale within the state. *The restriction of sections 97.40, 97.45, 97.55 and 101.42 as it pertains to leeches shall not apply to anyone 16 years of age or under.*

Sec. 2. Minnesota Statutes 1976, Section 97.45, Subdivision 15, is amended to read:

Subd. 15. The following restrictions on the transportation of

minnows or leeches apply only to quantities in excess of 12 dozen minnows or 50 dozen leeches. The following restrictions do not apply to minnows being transported through the state pursuant to a permit issued by the commissioner under section 101.42, subdivision 6. No person shall transport any minnows or leeches beyond the boundaries of the state, except fathead minnows, which may be transported without the state by any resident minnow live bait dealer holding an exporting minnow dealers license. The commissioner may issue permits to resident live bait dealers to transport leeches without the state. No person who is not a resident shall transport, be employed as a helper, or assist in transporting minnows or leeches within the state. No motor vehicle which is not registered and licensed in this state and which is not licensed under section 98.46, subdivision 5, clause 11, shall contain minnows or leeches or be used to transport minnows or leeches in Minnesota. It shall be unlawful for any person to assist any nonresident in transporting or possessing more than 12 dozen minnows or 50 dozen leeches within the boundaries of this state. A minnow live bait retailer who transports minnows or leeches from a place of wholesale purchase to his place of business shall transport the minnows or leeches by the most convenient and direct route.

Sec. 3. Minnesota Statutes 1976, Section 97.55, Subdivision 13, is amended to read:

Subd. 13. Every person who buys, sells, transports, or possesses minnows or leeches in violation of any provisions of chapters 97 to 102, or who violates any duly adopted order, rule, or regulation of the commissioner pertaining to the buying, selling, transporting, or possession of minnows or leeches shall be guilty of a misdemeanor.

Sec. 4. Minnesota Statutes 1976, Section 98.46, Subdivision 5, is amended to read:

Subd. 5. Fees for the following licenses, to be issued to residents only, shall be:

(1) To spear fish from a dark house, \$5;

(2) For any fish house or dark house used during the winter fishing season, \$3 for each fish house or dark house not rented or offered for hire, and \$10 for each fish house or dark house rented or offered for hire. Each such fish house or dark house shall have attached to the outside a metal tag at least two inches in diameter with a 3/16 inch hole in the center, which will be issued with a license. Each metal tag shall be stamped with a number to correspond with the fish house or dark house license and also shall be stamped with the year of issuance. The metal tag shall be attached to the fish house or dark house as designated by commissioner's order;

(3) To net whitefish, tullibees or herring from inland lakes or international waters, for domestic use only, for each net, \$3;

(4) To conduct a taxidermist business, \$10;

- (5) To maintain fur and game farms, including deer, \$10;
- (6) To take mussels or clams, \$25;
- (7) To take, transport, purchase and possess for sale unprocessed turtles and tortoises within the state, \$25;
- (8) To prepare dressed game fish shipments for nonresidents as provided by section 97.45, subdivision 6, as amended, \$10;
- (9) *Minnow Live bait dealer*, \$50 plus \$10 for each vehicle;
- (10) *Minnow Live bait dealer's helper*, \$5 for each helper. *Minnow Live bait dealer's helpers' licenses* shall be issued to the *minnow live bait dealer* and are transferable by the dealer at will to his own helpers;
- (11) *Exporting minnow dealer*, \$200, plus \$10 for one vehicle only. No licenses to transport fathead minnows beyond the boundaries of the state will be issued for 1961 calendar year after the effective date of Laws 1961, Chapter 477, and the number issued prior to the effective date of Laws 1961, Chapter 477 will not be exceeded in subsequent years. The renewal of such existing licenses will be reserved through April 1 of the following year; licenses not so renewed will not be made available until the total number has been reduced to below 35 licenses.

Each vehicle license shall cover a specified vehicle. The serial number, license number, make, and model shall be specified on the license which must be conspicuously posted in the vehicle licensed. No vehicle shall be licensed if the maximum tank capacity exceeds 300 cubic feet, inside measurement, and unless it complies with reasonable regulations adopted pursuant to the provisions of section 101.42, subdivision 5.

The exporting minnow dealer's license and vehicle license are void upon the sale of the business or death of the licensee. Provided, however, a succeeding owner of the business upon meeting the required qualifications will be issued the required licenses upon application and payment therefor. In the event of the death of the licensee the administrator or executor of the estate may purchase such licenses and operate the business until the sale thereof. If there is no estate then the widow or a member of the immediate family, if qualified, will be issued the required licenses upon application and payment therefor.

Sec. 5. Minnesota Statutes 1976, Section 98.46, Subdivision 17, is amended to read:

Subd. 17. Fees for the following licenses, to be issued to either residents or nonresidents, shall be:

- (1) To deal in live or engage in the business of preserving minnows or leeches ; *minnow live bait retailer*, \$5 plus \$10 for each vehicle used to transport minnows or leeches .
- (2) To raise fish in a private hatchery, \$25.
- (3) To take under state supervision sucker eggs from public waters, for private fish hatchery purposes:

- (a) To take not to exceed 100 quarts, \$100;
- (b) To take in excess of 100 quarts, \$2 per quart for such excess."

Page 1, line 8, strike "Section 1" and insert "Sec. 6"

Page 1, after line 15, insert:

"Sec. 7. Minnesota Statutes 1976, Section 101.42, Subdivision 5, is amended to read:

Subd. 5. Except as otherwise specifically permitted, it shall be unlawful to take minnows with a seine more than 25 feet in length or more than 148 meshes in depth of one-fourth inch bar measure or more than 197 meshes in depth of 3/16 inch bar measure or more than four feet in depth if material of smaller than 3/16 inch bar measure is used; to take minnows or leeches from waters designated by the commissioner as trout lakes or trout streams without a special permit which the commissioner may issue when conditions warrant; to possess or transport minnows or leeches for sale except with the use of equipment approved by regulations of the commissioner; or to take minnows or leeches from any waters from one hour after sunset to one hour before sunrise. Licensed minnow live bait dealers may take minnows, except from waters designated by the commissioner as trout lakes or trout streams, with a seine not more than 50 feet in length or more than 222 meshes in depth of one-fourth inch bar measure or more than 296 meshes in depth of 3/16 inch bar measure, or more than six feet in depth if material of smaller than 3/16 inch bar measure is used.

Sec. 8. Sections 1 to 5 and 7 of this act are effective January 1, 1979. Section 6 is effective the day following final enactment."

Amend the title as follows:

Line 2, after the semicolon insert "amending certain laws concerning minnows and leeches;"

Line 4, strike "Section" and insert "Sections 97.40, Subdivision 27; 97.45, Subdivision 15; 97.55, Subdivision 13; 98.46, Subdivisions 5 and 17;"

Line 5, after "12" insert "; and 101.42, Subdivision 5"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 1345: A bill for an act relating to elections; recognizing the effect of election day registration on activities in the polling place; amending Minnesota Statutes 1976, Sections 200.02, Subdivision 16; 204A.11; 204A.12, Subdivision 3; 204A.34, by adding a subdivision; and 204A.37, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Strike section 2 on pages 1 to 3 and insert:

"Sec. 2. Minnesota Statutes 1976, Section 204A.11, Subdivision 2, is amended to read:

Subd. 2. [BOOTHES, EQUIPMENT.] Each polling place shall consist of a single room, containing contain a number of booths or compartments in proportion to the number of voters in the precinct. Each booth shall be six feet high, three feet deep, and at least two feet wide, with a shelf, at least one foot wide, extending from side to side at a convenient height for writing, to be provided with a door or curtain so that the voter may be free from observation while marking his ballot. Each compartment shall be constructed so that the voter may be free from observation while marking his ballot. At all times when in use the booths and compartments shall be provided with instructions, an indelible pencil, and other supplies needful in marking the ballots. The boxes, booths, compartments, and judges shall be in open public view.

Sec. 3. Minnesota Statutes 1976, Section 204A.11, is amended by adding a subdivision to read:

Subd. 4. [ELECTION DAY REGISTRATION.] *If possible, provision shall be made for registration of voters on election day in the room where voting takes place. If necessary, an adjacent room may be used for election day registration. The registration of voters shall be conducted in open public view.*"

Page 3, after line 32, insert:

"Sec. 7. [EFFECTIVE DATE.] *This act is effective the day following final enactment.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after "204A.11" insert ", Subdivision 2, and by adding a subdivision"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 2139: A bill for an act relating to municipal elections; providing for the hours of voting; establishing procedures for establishing candidacy; establishing filing fees; providing for the printing of election materials and ballots; providing for publication and posting of sample ballots; amending Minnesota Statutes 1976, Sections 205.021; 205.03; 205.13; 205.14, Subdivisions 1 and 3; and 205.16, Subdivision 2, and by adding a subdivision; repealing Minnesota Statutes 1976, Section 365.60.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 13, strike "council" and insert "governing body"

Page 4, line 19, strike "council" and insert "governing body"

Page 5, line 6, strike "In all statutory"

Page 5, line 7, strike "and home rule charter cities and in all towns,"

Page 5, line 8, strike "the" and insert "any"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S. F. No. 1618: A bill for an act relating to fire and related insurance; permitting cancellation of fire and related insurance policies only under certain circumstances; requiring notice of reason for cancellation or nonrenewal; amending Minnesota Statutes 1976, Section 65A.01, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 65A.01, is amended by adding a subdivision to read:

Subd. 3a. There shall be printed in the policy or an endorsement attached to the policy a printed form in the following words:

When this policy has been issued to cover buildings used for residential purposes other than a hotel or motel and has been in effect for at least six months, or if it has been renewed, this policy shall not be cancelled, except for one or more of the following reasons which shall be stated in the notice of cancellation:

(a) *Nonpayment of premium;*

(b) *Misrepresentation or fraud made by or with the knowledge of the insured in obtaining the policy or in pursuing a claim thereunder;*

(c) *An act of the insured which materially increases the risk originally accepted;*

(d) *Physical changes in the insured property which are not corrected or restored within a reasonable time after they occur and which result in the property becoming uninsurable; or*

(e) *Non-payment of dues to an association or organization, other than an insurance association or organization, where payment of dues is a prerequisite to obtaining or continuing the insurance.*

Provided, however, that this limitation on cancellation shall not apply to additional coverages in a divisible policy, other than a policy of fire and extended coverage insurance. If this company cancels the additional coverages, it may issue a new, separate fire

policy at a premium calculated on a pro rata basis for the remaining period of the original policy.

Sec. 2. Minnesota Statutes 1976, Section 65A.01, is amended by adding a subdivision to read:

Subd. 6. When policies covered by this section are subject to limitations or cancellation as provided in subdivision 3a, the notice of cancellation shall include a statement of the reason for cancellation in a sufficiently clear and specific form so that an insured of reasonable intelligence will be able to identify the basis for the company's cancellation without making further inquiry."

Amend the title as follows:

Page 1, line 7, strike "Subdivision 3" and insert "by adding subdivisions"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1850: A bill for an act relating to intoxicating liquor; items offered for sale in exclusive liquor stores; amending Minnesota Statutes 1976, Section 340.07, Subdivision 13.

Reports the same back with the recommendation that the bill be amended as follows:

Amend the title as follows:

Page 1, line 2, strike "items" and insert "permitting gift cards and tags to be"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 2300: A bill for an act relating to commerce; requiring certain disclosures by foreign currency exchanges operated at airports; providing remedies.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, after the semicolon insert "and"

Page 1, line 14, strike "; and" and insert a period

Page 1, strike lines 15 to 19

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 2170: A bill for an act relating to commerce; credit unions; modifying reserve fund requirements; amending Minnesota Statutes 1976, Section 52.17.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 25, strike the semicolon and insert a period

Page 2, line 26, strike "(c)"

Page 2, line 28, after "*replenished*" insert "*in the manner provided by clause (a) or (b)*"

Page 2, line 29, strike "*in such amounts as may be needed*"

Page 2, after line 30 insert:

"Loans to other credit unions shall not be included in computing outstanding loans and risk assets pursuant to clauses (a) and (b)."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 2000: A bill for an act relating to rates of interest on money; permitting higher interest rates for loans secured by savings and time deposit accounts; amending Minnesota Statutes 1976, Chapter 334, by adding a section.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Olson from the Committee on General Legislation and Veteran Affairs, to which was referred

H. F. No. 1878: A bill for an act relating to drivers licenses; application and filing with clerk of the district court; providing that the commissioner of public safety may appoint an agent to assist the clerk in accepting applications under certain circumstances.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Laufenburger from the Committee on Employment, to which was referred

S. F. No. 2152: A bill for an act relating to unemployment compensation; waiving interest penalties for certain excusable delays in payment of employer contributions; amending Minnesota Statutes 1976, Section 268.16, Subdivision 1, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, reinstate the stricken language and strike the new language

Page 1, lines 13 and 14, strike the new language

Page 1, line 15, reinstate the stricken language

Page 2, line 3, after the period insert "*Interest on contributions due under this subdivision may be waived in accordance with rules as the commissioner may prescribe.*"

Page 2, strike section 2

Renumber the remaining section

Amend the title as follows:

Page 1, line 2, strike "waiving" and insert "permitting the commissioner to waive"

Page 1, line 6, strike ", and by adding a subdivision"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson from the Committee on General Legislation and Veteran Affairs, to which was referred

S. F. No. 2248: A bill for an act relating to peace officers and constables; requiring training and licensing for all peace officers; requiring training and licensing for constables; establishing the position of deputy constable; amending Minnesota Statutes 1976, Sections 367.03, Subdivisions 1 and 3; 367.22; 382.28; 626.843, by adding a subdivision; Chapter 367, by adding sections; and Minnesota Statutes, 1977 Supplement, Sections 626.84; 626.843, Subdivisions 1 and 3; 626.845; 626.846, Subdivisions 1, 2 and 3, and by adding subdivisions; 626.847; 626.848; and 626.851, Subdivision 2; repealing Minnesota Statutes, 1977 Supplement, Section 626.853.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 12, strike "*, one of whom shall be a constable*"

Page 2, line 12, strike "*other two*"

Page 2, line 21, strike "*, one of whom shall be a*"

Page 2, line 22, strike "*constable,*"

Page 3, line 8, after "*employed*" insert "*, appointed*"

Page 3, line 16, after "*employed*" insert "*, appointed*"

Page 6, line 21, strike "*three*" and insert "*two*"

Page 6, line 22, strike "*, one of whom shall be a constable,*"

Page 6, line 23, strike "*other two*"

Page 6, line 24, strike "*positions*" and insert "*position*"

Page 6, line 24, strike "any combination of" and insert "a"

Page 6, line 25, strike "officers" and insert "officer"

Page 6, line 25, strike "constables" and insert "constable"

Page 6, line 26, strike "constables" and insert "constable"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2294: A bill for an act relating to taxation; tax returns; excepting certain tax information about liquor license applicants from confidentiality requirements; requiring liquor license applicants to have paid certain taxes; amending Minnesota Statutes 1976, Sections 297A.43; 340.01; and Minnesota Statutes, 1977 Supplement, Section 290.61.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 23, strike " 340.01 " and insert " 2 "

Page 3, after line 6, insert

"Sec. 2. Minnesota Statutes 1976, Chapter 290, is amended by adding a section to read:

[290.612] [INQUIRIES RELATED TO APPLICATIONS FOR LIQUOR LICENSES.] *Any county or municipality may request the commissioner of revenue to certify whether or not an applicant for a license to be issued pursuant to sections 340.01 or 340.13 is liable for any state or local taxes or assessments which were not paid when they became due. Upon a request from a county or municipality, the commissioner shall certify to the county or municipality the information requested, but shall not certify that the license applicant is liable for any unpaid state or local taxes or assessments if an administrative or court action which questions the amount or validity of the unpaid taxes or assessments has been commenced, or if the appeal period to contest the taxes or assessments has not yet expired.*"

Page 3, line 20, strike " 340.01 " and insert " 4 "

Pages 4 and 5, strike section 3 and insert:

"Sec. 4. Minnesota Statutes 1976, Chapter 297A, is amended by adding a section to read:

[297A.431] [INQUIRIES RELATED TO APPLICATIONS FOR LIQUOR LICENSES.] *Any county or municipality may request the commissioner of revenue to certify whether or not an applicant for a license to be issued pursuant to sections 340.01 or 340.13 is liable for any state or local taxes or assessments which were not paid when they became due. Upon a request from a county or municipality the commissioner shall certify to the county or municipality the information requested, but shall not*

certify that the license applicant is liable for any unpaid state or local taxes or assessments if an administrative or court action which questions the amount or validity of the unpaid taxes or assessments has been commenced, or if the appeal period to contest the taxes or assessments has not yet expired. "

Renumber the sections in sequence

Amend the title as follows:

Page 1, strike line 5

Page 1, line 6, strike "certain taxes;"

Page 1, line 7, strike "Sections" and insert "Section"

Page 1, line 7, strike "340.01" and insert "Chapters 290, by adding a section; and 297A, by adding a section"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2182: A bill for an act relating to corrections; classifying the records of inmates of state correctional institutions; amending Minnesota Statutes 1976, Section 241.06.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, strike "DEPARTMENT OF CORRECTIONS" and insert "CLASSIFICATION"

Page 1, strike lines 10 through 14

Page 1, line 15, strike "place of birth, occupation,"

Page 2, strike the new language on lines 11 through 17

Page 2, line 17, strike the period

Page 2, line 18, strike "Subd. 2. [CLASSIFICATION OF RECORDS.]"

Page 2, line 21, strike "*described in subdivision 1 shall be*" and insert "*maintained by the commissioner of corrections for persons subject to his control pursuant to conviction of a crime or adjudication of delinquency is*"

Page 2, line 21, strike "; provided," and insert "*data on individuals as defined in section 15.162, subdivision 5a, except that access to medical, psychiatric and psychological data by the individual who is the subject of the data is governed by the provisions of section 144.335.*"

Page 2, line 22, strike "however, that"

Page 2, line 25, strike "interested"

Page 2, line 26, after "agencies" insert "*who have a reason to know*"

Page 2, line 26, strike “, inmate, or” and insert “*subject to his control pursuant to conviction of a crime or adjudication of delinquency*”

Page 2, line 27, strike “convict thereat,”

Page 2, line 28, strike the second “the” and insert “*that*”

Page 2, line 28, strike “, inmate, or convict”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

H. F. No. 1908: A bill for an act relating to education; teachers; requiring expungement of certain material from a teacher's file; amending Minnesota Statutes 1976, Section 125.12, Subdivision 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, strike lines 3 to 17

Page 2, after line 17 insert:

“Sec. 2. Minnesota Statutes 1976, Section 125.12, is amended by adding a subdivision to read:

Subd. 14. [RECORDS RELATING TO INDIVIDUAL TEACHER; ACCESS; EXPUNGEMENT.] All evaluations and files generated within a school district relating to each individual teacher shall be available to each individual teacher upon his written request. Effective January 1, 1976, all evaluations and files, wherever generated, relating to each individual teacher shall be available to each individual teacher upon his written request. The teacher shall have the right to reproduce any of the contents of the files at the teacher's expense and to submit for inclusion in the file written information in response to any material contained therein.

A school district may destroy the files as provided by law and shall expunge from the teacher's file any material found to be false or substantially inaccurate through the grievance procedure required pursuant to section 179.70, subdivision 1, except the grievance procedure required pursuant to section 179.70, subdivision 1, shall not be available to superintendents, principals and other supervisory employees. Expungement proceedings shall be commenced within the time period provided in the collective bargaining agreement for the commencement of a grievance. If no time period is provided in the bargaining agreement, the expungement proceedings shall commence within 15 days after the teacher has knowledge of the inclusion in his file of the material he seeks to have expunged.

Sec. 3. Minnesota Statutes 1976, Section 125.17, Subdivision 12, is amended to read:

Subd. 12. [RECORDS RELATING TO INDIVIDUAL

TEACHER; ACCESS; EXPUNGEMENT.] All evaluations and files generated within a school district relating to each individual teacher shall be available to each individual teacher upon his written request. Effective January 1, 1976, all evaluations and files, wherever generated, relating to each individual teacher shall be available to each individual teacher upon his written request. The teacher shall have the right to reproduce any of the contents of the files at the teacher's expense and to submit for inclusion in the file written information in response to any material contained therein ; provided, however, .

A school district may destroy ~~such~~ the files as provided by law , and shall expunge from the teacher's file any material found to be false or substantially inaccurate through the grievance procedure required pursuant to section 179.70, subdivision 1, except the grievance procedure required pursuant to section 179.70, subdivision 1, shall not be available to superintendents, principals, and other supervisory employees. Expungement proceedings shall be commenced within the time period provided in the collective bargaining agreement for the commencement of a grievance. If no time period is provided in the bargaining agreement, the expungement proceedings shall commence within 15 days after the teacher has knowledge of the inclusion in his file of the material he seeks to have expunged."

Amend the title as follows:

Page 1, line 4, strike "Section" and insert "Sections"

Page 1, line 5, after "6" insert ", and by adding a subdivision; and 125.17, Subdivision 12"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1954: A bill for an act relating to the organization and operation of state government; the payment of claims against the state and its employees; amending Minnesota Statutes 1976, Sections 3.732, Subdivision 1; and 3.736, Subdivision 9, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, after the comma, insert "*the Minnesota Higher Education Coordinating Board,*"

Page 2, line 26, after "pay" insert "*the indebtedness under the*"

Page 2, line 27, strike "*such*"

Page 3, lines 3 and 6, strike "*such an*" and insert "*the*"

Page 3, line 24, strike the first and second "*such*"

Page 3, line 27, strike "*such*"

Page 3, line 29, strike "*such a*" and insert "*the*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1117: A bill for an act relating to real estate; providing requirements for the recordability of certain documents; amending Minnesota Statutes 1976, Section 507.24.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 2, strike "*not accept any plat, deed or other instrument*" and insert "*note the real property parcel identifier number on all documents affecting title to real property at the time of recording or filing*"

Page 2, strike lines 3 to 9

Page 2, line 10, strike "*plat or to the land described in the instrument*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1788: A bill for an act relating to veterans; classification of records; amending Minnesota Statutes 1976, Section 197.603.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 21, after "*custody*" insert a period and strike "*and*"

Page 2, line 1, strike "*individuals contained in the records*" and insert "*clients' applications for assistance*"

Page 2, line 1, strike the semicolon and insert "*on individuals, as defined in section 15.162, subdivision 5a.*"

Page 2, strike lines 2 to 4

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 740: A bill for an act relating to health; providing injunctive relief for the state board of health; authorizing appeal to the district court; authorizing subpoenas.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 144, is amended by adding a section to read:

[144.120] [INJUNCTIVE RELIEF.] *In addition to any other remedy provided by law, the commissioner of health or local board of health may bring an action in the district court in the county in which the activity or practice sought to be enjoined occurs, to enjoin any violation or threatened violation of a statute, rule, standard, order, stipulation, agreement, consent order, variance, or any other directive which the commissioner of health or local board of health is empowered to enforce, issue, enter into, or promulgate. Any such activity or practice may be enjoined as a public nuisance.*

Sec. 2. [EFFECTIVE DATE.] *This act is effective the day following final enactment.*"

Amend the title as follows:

Page 1, line 2, strike "providing" and insert "authorizing the commissioner of health to seek"

Page 1, line 2, after "relief" insert "; amending Minnesota Statutes 1976, Chapter 144, by adding a section."

Page 1, strike lines 3 and 4

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 427: A bill for an act relating to education; school districts; tort liability; removing school district immunity as to certain claims; amending Minnesota Statutes 1976, Section 466.03, Subdivision 6.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 471, is amended by adding a section to read:

[471.98] [INDEMNITY AGAINST TORT CLAIMS.] *Each political subdivision shall indemnify any employee or officer against judgments or any amounts paid in settlement actually and reasonably incurred in connection with any tort claim or demand arising out of an alleged act or omission occurring in the performance of his employment or official duties, subject to the limitations set forth in section 466.04."*

Amend the title as follows:

Strike the title in its entirety and insert

"A bill for an act relating to tort liability; requiring political subdivisions to indemnify officers and employees for certain judgments and settlements; amending Minnesota Statutes 1976, Chapter 471, by adding a section."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1932: A bill for an act relating to the organization and operation of government; requiring a study of the proper role and structure of metropolitan government agencies; requiring a review of the distribution of powers and duties between the metropolitan council, the metropolitan commissions, the legislature and political subdivisions within the metropolitan area; mandating a report; providing for certain services to be performed by the state planning agency; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, strike everything after ".]"

Page 1, strike lines 15 to 25

Page 2, line 1, strike everything before "The"

Page 2, line 5, after the period insert "As used in this act, "metropolitan area" shall be as defined in Minnesota Statutes, Section 473.121."

Page 2, line 9, strike "24" and insert "15"

Page 2, strike lines 10 to 32

Page 3, strike lines 1 to 3

Page 3, line 4, strike "(i) Five" and insert "Nine"

Page 3, line 5, strike "no two of whom" and insert "three members of the senate appointed by the subcommittee on committees and three members of the house appointed by the speaker. Of the members appointed by the governor, none shall be members or employees of the metropolitan council or commissions, none shall be officers, members or employees of the governing bodies of political subdivisions in the metropolitan area, and no more than three"

Page 3, strike lines 7 to 10

Page 3, line 11, strike "subdivisions."

Page 3, line 12, strike "pursuant to"

Page 3, line 13, strike "subdivision 1, clause (i)" and insert "by him"

Page 3, strike line 20 and insert "legislative coordinating commission."

Page 3, strike lines 21 to 23

Renumber remaining subdivisions in sequence

Page 4, line 23, strike the period and insert a semicolon

Page 4, after line 23, insert

“(g) Whether the structure and procedures of existing local government units are consistent with the comprehensive policy of the task force; and

(h) Whether mechanisms are needed to increase legislative oversight of metropolitan government activities.”

Page 4, line 28, strike “state planning agency” and insert “legislative coordinating commission”

Amend the title as follows:

Page 1, lines 10 and 11, strike “state planning agency” and insert “legislative coordinating commission”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2187: A bill for an act relating to public health; providing certain state assistance to community health service agencies for the purpose of improving dental health of nursing home residents; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. [DENTAL HEALTH STUDY OF LONG-TERM CARE RESIDENTS.] The commissioner of health shall conduct a study of the dental health status of a representative sampling of residents and patients in long-term care facilities, shall evaluate practical, cost-effective, and appropriate methodologies to meet the dental health needs of patients and residents, and shall prepare and submit to the legislature on or before March 1, 1979, a report of these findings and recommendations for assuring that effective preventive and corrective dental health measures are available to these residents and patients.

Sec. 2. The sum of \$60,000 is appropriated from the general revenue fund for the biennium ending June 30, 1979.”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2016: A bill for an act relating to crimes; authorizing counties to establish victim support funds and to provide services to victims of crime; providing for a penalty assessment on convicted persons; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 7, after "counties" insert "in cooperation with existing criminal justice planning councils"

Page 3, line 29, strike ", as a" and insert "impose and collect an assessment for all offenses defined as misdemeanors, gross misdemeanors and felonies. The assessment shall be in addition to the penalty for the offense as provided by law and shall be in an amount not less than \$5 nor more than \$30."

Page 3, strike lines 30 to 31 and line 32 before "The"

Page 3, line 32, strike "penalty"

Page 4, line 4, strike "penalty"

Amend the title as follows:

Page 1, lines 4 to 5, strike "a penalty" and insert "an"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Mr. Davies questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1917: A bill for an act relating to children; requiring a welfare agency receiving a report of a maltreated minor to notify the local police department; amending Minnesota Statutes 1976, Section 626.556, Subdivisions 3 and 7; and Minnesota Statutes, 1977 Supplement, Section 626.556, Subdivision 11.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, before line 10, insert:

"Section 1. Minnesota Statutes 1976, Section 626.556, Subdivision 1, is amended to read:

626.556 [REPORTING OF MALTREATMENT OF MINORS.] Subdivision 1. [PUBLIC POLICY.] The legislature hereby declares that the public policy of this state is to protect children whose health or welfare may be jeopardized through physical abuse, neglect or sexual abuse; to strengthen the family and make the home safe for children through improvement of parental and guardian capacity for responsible child care; and to provide a safe temporary or permanent home environment for physically or sexually abused children.

In addition, it is the policy of this state to require the reporting of suspected *neglect*, physical or sexual abuse of children; to provide for the voluntary reporting of *abuse or neglect* of children; to require the investigation of such reports; and to provide protective and counseling services in appropriate cases.

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 626.556, Subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] As used in this section, the following terms have the meanings given them unless the specific content indicates otherwise:

(a) "Sexual abuse" means the subjection by the child's parents, guardian, or person responsible for the child's care, to any act which constitutes a violation of sections 609.342, 609.343, 609.344, or 609.345.

(b) "Neglected child" shall have the meanings defined in section 260.015, subdivision 10. "Neglect" means failure by a parent, guardian or other person responsible for a child's care to supply a child with necessary food, clothing, shelter or medical care when reasonably able to do so. Nothing in this section shall be construed to mean that a child is neglected solely because the child's parent, guardian or other person responsible for his care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child.

(c) "Physical abuse" means:

(i) Any physical injury inflicted by a parent, guardian or other person responsible for the child's care on a child other than by accidental means; or

(ii) Any physical injury or health defect that cannot reasonably be explained by the history of injuries provided by a parent, guardian or other person responsible for the child's care.

(d) "Report" means any report received by the local welfare agency, police department or county sheriff pursuant to this section."

Page 1, line 17, after "being" insert "*neglected or*"

Page 1, line 19, strike "or" and insert a comma

Page 1, line 19, after "department" insert "*or the county sheriff*"

Page 1, line 20, after "department" insert "*or the county sheriff*"

Page 1, line 23, after "department" insert "*or the county sheriff*"

Page 2, line 5, strike "or" and insert a comma

Page 2, line 5, after "department" insert "*or the county sheriff*"

Page 2, line 8, after "department" insert "*or the county sheriff*"

Page 2, after line 9, insert:

"Sec. 4. Minnesota Statutes 1976, Section 626.556, Subdivision 4, is amended to read:

Subd. 4. [IMMUNITY FROM LIABILITY.] Any person, including those voluntarily making reports and those required to make reports under subdivision 3, participating in good faith

and exercising due care in the making of a report pursuant to this section shall have immunity from any liability, civil or criminal, that otherwise might result by reason of his action.

Sec. 5. Minnesota Statutes 1976, Section 626.556, Subdivision 6, is amended to read:

Subd. 6. [FAILURE TO REPORT.] Any person required by this section to report suspected physical or sexual child abuse or neglect who willfully fails to do so shall be guilty of a misdemeanor."

Page 2, line 16, after "department" insert "*, the county sheriff*"

Page 2, line 21, after "department" insert "*or the county sheriff*"

Page 2, line 22, after "department" insert "*or the county sheriff*"

Page 2, line 25, after "department" insert "*or the county sheriff*"

Page 2, after line 25, insert:

"Sec. 7. Minnesota Statutes 1976, Section 626.556, Subdivision 8, is amended to read:

Subd. 8. [EVIDENCE NOT PRIVILEGED.] No evidence regarding the child's injuries shall be excluded in any proceeding arising out of the alleged neglect or physical or sexual abuse on the grounds of either a physician-patient or husband-wife privilege.

Sec. 8. Minnesota Statutes 1976, Section 626.556, Subdivision 9, is amended to read:

Subd. 9. [MANDATORY REPORTING TO A MEDICAL EXAMINER OR CORONER.] When a person required to report under the provisions of subdivision 3 has reasonable cause to believe a child has died as a result of neglect or physical or sexual abuse, he shall report that information to the appropriate medical examiner or coroner instead of the local welfare agency, or police department or county sheriff. Medical examiners or coroners shall notify the local welfare agency or police department or county sheriff in instances in which they believe that the child has died as a result of neglect or physical or sexual abuse. The medical examiner or coroner shall complete an investigation as soon as feasible and report the findings to the appropriate law enforcement authorities police department or county sheriff and the local welfare agency."

Page 2, line 30, after "private" insert "*data on individuals*"

Page 2, line 32, after "department" insert "*or the county sheriff*"

Page 3, line 1, after "department" insert "*or the county sheriff*", and after "private" insert "*data on individuals*"

Page 3, line 3, after "authority." insert "*The welfare board shall make available to the prosecuting authority only those records which contain information relating to a specific incident of neglect or abuse which is under litigation.*"

Page 3, line 11, after "agencies" insert "*, the police department or county sheriff*"

Page 3, line 22, after "agency" insert "*, local police department or county sheriff*"

Page 3, line 23, strike "neither"

Page 3, line 23, strike "nor" and insert a comma

Page 3, line 24, strike "is able" and insert "*or county sheriff are unable*"

Renumber the sections in sequence

Further amend the title as follows:

Page 1, line 4, after "department" insert "or county sheriff"

Page 1, line 5, delete "3 and" and insert "1, 3, 4, 6, 7, 8 and 9"

Page 1, line 6, delete "7"

Page 1, line 7, delete "Subdivision" and insert "Subdivisions 2 and"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Tennessen from the Committee on Commerce, to which was referred

S. F. No. 2158: A bill for an act relating to commerce; credit unions; authorizing approval of lines of credit by credit committee; amending Minnesota Statutes 1976, Sections 52.10 and 52.16.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, strike "such"

Page 1, line 18, strike "*extends*" and insert "*approves the extension of*"

Page 1, line 18, after "a" insert "*self-replenishing*"

Page 1, line 20, strike "such"

Page 2, line 14, strike "such" and insert "*the*"

Page 2, line 15, strike "such" and insert "*these*"

Page 2, line 22, strike "such" and insert "*the*"

Page 3, line 11, after "member" insert a comma

Page 3, line 11, after "a" insert "*self-replenishing*"

Page 3, line 12, strike "*each*" and insert "a"

Page 3, line 13, strike "*such*" and insert "*the*"

Page 3, line 13, after "a" insert "*self-replenishing*"

Page 3, line 14, strike "no" and insert a comma

Page 3, line 14, strike "are" and insert "may be"

Page 3, line 15, strike "as long as the aggregate obligation does not exceed"

Page 3, strike line 16 except for the period

And when so amended the bill do pass: Amendments adopted.
Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1900: A bill for an act relating to commerce; providing for delivery of motor vehicle certificates of title to owners; amending Minnesota Statutes 1976, Sections 168A.06; and 168A.20, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike section 1

Page 2, line 1, after the first "and" insert "send by certified"

Page 2, line 2, reinstate the old language and strike the new language

Page 2, lines 3 to 5, strike the new language

Renumber the remaining section

Amend the title as follows:

Page 1, line 4, strike "Sections" and insert "Section"

Page 1, line 5, strike "168A.06; and"

And when so amended the bill do pass: Amendments adopted.
Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2281: A bill for an act relating to Hennepin county municipal court; authorizing the establishment of three suburban court locations; amending Minnesota Statutes 1976, Section 488A.01, Subdivision 9.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, strike "(a) The municipal"

Page 1, strike lines 11 to 22

Page 2, strike lines 1 to 9

Page 2, line 10, strike "(c)"

Page 2, line 11, after "in" insert "the city of Minneapolis and"

Page 2, line 12, strike ", in conjunction with other existing or planned county" and insert a period

Page 2, strike lines 13 to 17

Amend the title as follows

Page 1, line 3, after "of" insert "court locations in the city of Minneapolis and in"

Page 1, line 4, strike "court"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2130: A bill for an act relating to crimes; prescribing penalties for the possession of controlled substances on the premises of elementary, middle and secondary schools; amending Minnesota Statutes 1976, Section 152.15, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, strike "18 years of age or over" and insert "not currently enrolled or registered as a pupil at the school"

Page 1, line 18, strike "18 years of age or older" and insert "not currently enrolled or registered as a pupil at the school"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2342: A bill for an act relating to Olmsted county; authorizing the board of county commissioners to finance an addition to and to renovate the Olmsted county hospital.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, after "equip" strike "its" and insert "the"

Page 1, line 12, after "equipment from" strike "its" and insert "available"

Page 1, line 13, after "grants," strike "its"

Page 1, line 15, strike "when approved" and insert "upon approval"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1985: A bill for an act relating to retirement; transit operating division of the metropolitan transit commission; transfer of pension coverage; termination of the metropolitan transit com-

mission — transit operating division employees retirement fund; amending Minnesota Statutes 1976, Sections 352.01, Subdivisions 2A and 11; and 352.22, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Sections 352.03, Subdivisions 1 and 2; and 473.415.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 352.01, Subdivision 2A, is amended to read:

Subd. 2A. [INCLUDED EMPLOYEES.] The following persons are included in the meaning of state employee:

- (1) Employees of the Minnesota Historical Society.
- (2) Employees of the State Horticultural Society.
- (3) Employees of the Disabled American Veterans, Department of Minnesota, Veterans of Foreign Wars, Department of Minnesota, if employed prior to July 1, 1963.
- (4) Employees of the Minnesota Crop Improvement Association.
- (5) Employees of the adjutant general who are paid from federal funds and who are not covered by any federal civilian employees retirement system.
- (6) Employees of the state universities employed under the university activities program.
- (7) Currently contributing employees covered by the system who are temporarily employed by the legislature during a legislative session or any currently contributing employee employed for any special service as defined in item (8) of subdivision 2B.
- (8) Employees of the armory building commission.
- (9) Permanent employees of the legislature and persons employed or designated by the legislature or by a legislative committee or commission or other competent authority to make or conduct a special inquiry, investigation, examination or installation including permanent employees of the legislative research committee.
- (10) Trainees who are employed on a full time established training program performing the duties of the classified position for which they will be eligible to receive immediate appointment at the completion of the training period.
- (11) Employees of the Minnesota Safety Council.
- (12) *Employees of the transit operating division of the metropolitan transit commission and any employees on authorized leave of absence from the transit operating division who are employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division.*

(13) Employees of the metropolitan council, metropolitan parks and open space commission, metropolitan transit commission, metropolitan waste control commission, metropolitan sports facilities commission or the metropolitan mosquito control commission unless excluded or covered by another public pension fund or plan pursuant to sections 473.141, subdivision 12, or 473.411, subdivision 3.

Sec. 2. Minnesota Statutes 1976, Section 352.01, Subdivision 11, is amended to read:

Subd. 11. [ALLOWABLE SERVICE.] "Allowable service" means:

(1) Any service rendered by an employee for which on or before July 1, 1957, he was entitled to allowable service credit on the records of the system by reason of employee contributions in the form of salary deductions, payments in lieu of salary deductions, or in any other manner authorized by Minnesota Statutes 1953, Chapter 352, as amended by Laws 1955, Chapter 239, or

(2) Any service rendered by an employee for which on or before July 1, 1961, he elected to obtain credit for service by making payments to the fund pursuant to Minnesota Statutes 1961, Section 352.24, or

(3) Any service rendered by an employee after July 1, 1957, for any calendar month in which he is paid salary from which deductions are made, deposited and credited in the fund, including deductions made, deposited and credited as provided in section 352.041, or

(4) Any service rendered by an employee after July 1, 1957 for any calendar month for which payments in lieu of salary deductions are made, deposited and credited in the fund, as provided in section 352.27 and Minnesota Statutes 1957, Section 352.021, Subdivision 4.

(For purposes of paragraphs (3) and (4) of this subdivision, any salary paid for a fractional part of any calendar month is deemed the compensation for the entire calendar month. The board of directors of the Minnesota state retirement system shall establish rules governing the accrual of allowable service credit for less than full time employment.), or

(5) The period of absence from their duties by employees who by reason of injuries incurred in the performance thereof are temporarily disabled and for which disability the state is liable under the worker's compensation law until the date authorized by the director for the commencement of payments of a total and permanent disability benefit from the retirement fund; or

(6) The unused portion of an employee's annual leave allowance for which he is paid salary, or

(7) Any employee who made payment in installments in order to obtain additional service credit but failed to make the final payment on or before July 1, 1962 shall be entitled to have credit

for all service for which the payments he made will entitle him under the provisions of Minnesota Statutes 1961, Section 352.24. In determining "the service for which the payments he made will entitle him" service credit shall extend retroactively from the latest service for which he made payment, or

(8) Former state employees who hold numbered certificates of deferred annuity who again become state employees shall surrender such certificates and shall be entitled to full credit for the service covered by the surrendered certificates, or

(9) Any service covered by refundment repaid as provided in section 352.23 but does not include service rendered as an employee of the adjutant general for which the person has credit with the federal civil service retirement system, or

(10) Any service prior to the effective date of the act by an employee of the transit operating division of the metropolitan transit commission or by an employee on an authorized leave of absence from the transit operating division of the metropolitan transit commission who is employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division which was credited by the metropolitan transit commission-transit operating division employees retirement fund or any of its predecessor plans or funds as past, intermediate, future, continuous or allowable service as defined in the metropolitan transit commission-transit operating division employees retirement fund plan document in effect on December 31, 1977.

Sec. 3. Minnesota Statutes, 1977 Supplement, Section 352.03, Subdivision 1, is amended to read:

352.03 [BOARD OF DIRECTORS, COMPOSITION, EXECUTIVE DIRECTOR; DUTIES, POWERS.] Subdivision 1. [MEMBERSHIP OF BOARD; ELECTION; TERM.] The policy making function of the system is hereby vested in a board of eight ~~nine~~ members, who shall be known as the board of directors, hereinafter called the board. This board shall consist of three members appointed by the governor, one of whom shall be a constitutional officer or appointed state official and two public members knowledgeable in pension matters, four state employees who shall be elected by state employees covered by the system ~~excluding employees of the transit operating division of the metropolitan transit commission and employees on authorized leave of absence from the transit operating division who are employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division, one employee of the transit operating division of the metropolitan transit commission who shall be designated by the executive committee of the labor organization which is the exclusive bargaining agent representing employees of the transit division, and one retired employee who shall be elected by retired employees at a time and in a manner to be fixed by the board. Two board members, whose terms of office shall begin on the first Monday in March next succeeding their election, shall be elected biennially. The term of the two board~~

members whose terms expire in 1968 shall terminate on the first Monday in March, 1968, and the terms of the two board members whose terms expire in 1970 shall terminate on the first Monday in March, 1970. The elected retired board member shall serve a term commencing January 1, 1978 and terminating on the first Monday in March, 1980. *The transit operating division board member shall serve a term commencing January 1, 1979, and terminating on the first Monday in March, 1980.* Thereafter the members of the board ~~so elected and the transit operating division member so appointed~~ shall hold office for a term of four years, except the retired member whose term shall be two years, and until their successors are elected *or appointed*, and have qualified. A state employee on leave of absence shall not be eligible for election or re-election to membership on the board of directors; and the term of any board member who is on leave for more than six months shall automatically terminate upon the expiration of such period.

Sec. 4. Minnesota Statutes, 1977 Supplement, Section 352.03, Subdivision 2, is amended to read:

Subd. 2. [VACANCY.] Any vacancy of a state employee or retired employee in the board caused by death, resignation, or removal of any member so elected shall be filled by the board for the unexpired portion of the term in which the vacancy occurs. *Any vacancy of the employee of the transit operating division member of the board caused by death, resignation, or removal shall be filled by the governing board of the labor organization which is the exclusive bargaining agent representing employees of the transit operating division.*

Sec. 5. Minnesota Statutes 1976, Section 352.22, is amended by adding a subdivision to read:

Subd. 2a. [AMOUNT OF CERTAIN REFUNDMENTS.] *For any employee who is entitled to receive a refund pursuant to subdivision 1 and who, prior to the effective date of this act, was a member of the metropolitan transit commission — transit operating division employees retirement fund, the refund for contributions made prior to the effective date of this act shall be equal to the following amounts:*

(a) *for any employee contributions made prior to January 1, 1950, the amount equal to one half of the employee contributions without interest;*

(b) *for any employee contributions made subsequent to December 31, 1949, but prior to January 1, 1975, the amount of the employee contributions plus simple interest at the rate of two percent per annum; and*

(c) *for any employee contributions made subsequent to December 31, 1974, but prior to the effective date of this act, the amount of the employee contributions plus simple interest at the rate of three and one half percent per annum.*

The refund for contributions made on or after the effective date of this act shall be determined pursuant to subdivision 2. Interest

shall be computed to the first day of the month in which the refund is processed and shall be based on fiscal year balances.

Sec. 6. Minnesota Statutes 1976, Section 356.20, Subdivision 2, is amended to read:

Subd. 2. (1) State employees retirement fund.

(2) Public employees retirement fund.

(3) Teachers retirement fund.

(4) Highway Patrolmen's retirement fund.

~~(5) Twin City Lines employees retirement plan.~~

~~(6)~~ (5) Minneapolis teachers retirement fund association.

~~(7)~~ (6) St. Paul teachers retirement fund association.

~~(8)~~ (7) Duluth teachers retirement fund association.

~~(9)~~ (8) Municipal employees retirement board of Minneapolis.

~~(10)~~ (9) University of Minnesota police retirement plan.

~~(11)~~ (10) University of Minnesota faculty retirement plan.

Sec. 7. Minnesota Statutes, 1977 Supplement, Section 473.415, is amended to read:

473.415 [LABOR PROVISIONS.] *Subdivision 1.* If the commission acquires an existing transit system, the commission shall assume and observe all existing labor contracts and pension obligations. All employees of such system except executive and administrative officers who are necessary for the operation thereof by the commission shall be transferred to and appointed as employees of the commission for the purposes of the transit system, subject to all the rights and benefits of sections 473.401 to 473.451. Such employees shall be given seniority credit and sick leave, vacation, insurance, and pension credits in accordance with the records or labor agreements from the acquired transit system. The commission shall assume the obligations of any transit system acquired by it with regard to wages, salaries, hours, working conditions, sick leave, health and welfare and pension or retirement provisions for employees. The commission and the employees, through their representatives for collective bargaining purposes, shall take whatever action may be necessary to have pension trust funds presently under the joint control of the acquired system and the participating employees through their representatives transferred to the trust fund to be established, maintained and administered jointly by the commission and the participating employees through their representatives. No employee of any acquired system who is transferred to a position with the commission shall by reason of such transfer be placed in any worse position with respect to worker's compensation, pension, seniority, wages, sick leave, vacation, health and welfare insurance or any other benefits than he enjoyed as an employee of such acquired system.

Subd. 2. For any employees of the commission who were transferred to and appointed as employees of the commission upon

completion of acquisitions of transit systems which occurred prior to the effective date of this act, the provisions of this act shall replace the provisions of subdivision 1 relating to the pension obligations which the commission is required to assume, and the pension or retirement plan and pension trust funds which the commission is required to establish, maintain and administer. Upon compliance with the applicable provisions of this act, the commission shall not be deemed to have placed any employee of the commission who was transferred to and appointed as an employee of the commission upon completion of acquisitions of transit systems which occurred prior to the effective date of this act in any worse position with respect to pension and related benefits than the employee of the commission enjoyed as an employee of the acquired existing transit system.

Subd. 3. For any employees of the commission who are transferred to and appointed as employees of the commission upon completion of acquisitions of transit systems which occur subsequent to the effective date of this act, those employees shall be governed by the provisions of this act unless the acquisition of the transit system which employed them immediately preceding the acquisition included the acquisition of a pension trust fund under the joint control of the acquired system and the participating employees through their representatives.

Sec. 8. [TRANSFER OF PENSION COVERAGE.] Subdivision 1. [EXISTING EMPLOYEES.] Notwithstanding any provisions of law to the contrary, as of the effective date of this act, all active employees of the transit operating division of the metropolitan transit commission and all employees on authorized leaves of absence from the transit operating division who are employed on the effective date of this act by a labor organization which is the exclusive bargaining agent representing employees of the transit operating division shall cease to be members of the metropolitan transit commission — transit operating employees retirement fund and shall cease to have any accrual of service credit, rights or benefits under that retirement fund. From and after the effective date of this act, all active employees of the transit operating division of the metropolitan transit commission and all employees on authorized leaves of absence from the transit operating division who are employed on the effective date of this act by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division shall be members of the Minnesota state retirement system, shall be considered state employees for purposes of chapter 352, unless specifically excluded pursuant to section 352.01, subdivision 2B, and shall have past service with the transit operating division of the metropolitan transit commission credited by the Minnesota state retirement system in accordance with section 2, clause (10), of this act. Any employees on authorized leaves of absence from the transit operating division of the metropolitan transit commission who become employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division after the effective date of this act shall be entitled to be members of the Minnesota state retirement system pursuant to section 352.029.

Subd. 2. [NEW EMPLOYEES.] All persons first employed by the metropolitan transit commission as employees of the transit operating division on or after the effective date of this act shall be members of the Minnesota state retirement system and shall be considered state employees for purposes of chapter 352 unless specifically excluded pursuant to section 352.01, subdivision 2B.

Subd. 3. [EXISTING RETIRED MEMBERS AND BENEFIT RECIPIENTS.] As of the effective date of this act, the liability for all retirement annuities, disability benefits, survivorship annuities and survivor of deceased active employee benefits of annuitants and benefit recipients paid or payable by the metropolitan transit commission — transit operating division employees retirement fund shall be transferred to the Minnesota state retirement system, and shall no longer be the liability of the metropolitan transit commission — transit operating division employees retirement fund. The required reserves for retirement annuities, disability benefits and optional joint and survivor annuities in effect on the day prior to the effective date of this act and the required reserves for the increase in annuities and benefits provided pursuant to section 9 of this act shall be determined using a five percent interest assumption and the applicable Minnesota state retirement system mortality table and shall be transferred by the Minnesota state retirement system to the Minnesota adjustable fixed benefit fund on the effective date of this act but shall be considered appropriated as of June 30, 1978. The annuity or benefit amount in effect on the effective date of this act, including the increase granted pursuant to section 9 of this act, shall be considered the "originally determined benefit" for purposes of any adjustments made pursuant to section 11.25. If an adjustment from the Minnesota adjustable fixed benefit fund pursuant to section 11.25 is payable as of January 1, 1979, any annuitant or benefit recipient receiving an annuity or benefit from the Minnesota adjustable fixed benefit fund pursuant to this section shall be entitled to receive the adjustment if the annuitant or recipient began receiving the annuity or benefit from the metropolitan transit commission—transit operating division employees retirement fund on or before June 30, 1977, but that adjustment shall not include in the base for calculation the amount of any increase granted pursuant to section 9 of this act. If an adjustment from the Minnesota adjustable fixed benefit fund pursuant to section 11.25 is payable as of January 1, 1979, the required reserves for the increase determined using a five percent interest assumption and the applicable Minnesota state retirement system mortality table shall be transferred by the Minnesota state retirement system to the Minnesota adjustable fixed benefit fund on January 1, 1979. For persons receiving benefits as survivors of deceased former retirement annuitants, the benefits shall be considered as having commenced on the date on which the retirement annuitant began receiving the retirement annuity.

Subd. 4. [EXISTING DEFERRED RETIREES.] Any former member of the metropolitan transit commission — transit operating division employees retirement fund who is not an active employee of the transit operating division of the metropolitan

transit commission on the effective date of this act, who has at least ten years of active continuous service with the transit operating division of the metropolitan transit commission as defined by the metropolitan transit commission — transit operating division employees retirement plan document in effect on December 31, 1977, who has not received a refund of contributions and who has not retired or begun receiving an annuity or benefit from the metropolitan transit commission — transit operating division employees retirement fund shall be entitled to a retirement annuity from the Minnesota state retirement system upon attaining the age of at least 55 years and submitting a valid application for a retirement annuity to the executive director of the Minnesota state retirement system. The person shall be entitled to a retirement annuity in an amount equal to the normal old age retirement allowance calculated under the metropolitan transit commission — transit operating division employees retirement fund plan document in effect on December 31, 1977 subject to an early retirement reduction or adjustment in amount on account of retirement prior to the normal retirement age specified in that metropolitan transit commission — transit operating division employees retirement fund plan document. The deferred retirement annuity of any person to whom this subdivision applies shall be augmented. The required reserves applicable to the deferred retirement annuity, determined as of the date the allowance begins to accrue using an appropriate mortality table and an interest assumption of five percent, shall be augmented by interest at the rate of five percent per annum compounded annually from January 1, 1978 to the first day of the month in which the annuity begins to accrue. Upon the commencement of the retirement annuity, the required reserves for the annuity shall be transferred to the Minnesota adjustable fixed benefit fund in accordance with subdivision 2 and section 352.119. Upon application for a retirement annuity under this subdivision, the person shall be entitled to elect a joint and survivor optional annuity pursuant to section 352.116, subdivision 3.

Sec. 9. [SAVINGS CLAUSE FOR CERTAIN EXISTING EMPLOYEES.] Any person who is a member of the metropolitan transit commission — transit operating division employees retirement fund on the effective date of this act shall be entitled to retain past and prospective rights under the retirement benefit formula, normal retirement age and early reduced retirement age provisions of the metropolitan transit commission — transit operating division employees retirement fund plan document in effect on the effective date of this act in lieu of the provisions contained in sections 352.115; 352.116; 352.22, subdivisions 3 to 11; and 356.30.

Sec. 10. [INCREASE IN EXISTING ANNUITIES AND BENEFITS.] All persons receiving retirement allowances or annuities, disability benefits, survivorship annuities and survivor of deceased active employee benefits from the metropolitan transit commission—transit operating division employees retirement fund on December 31, 1977 and on the effective date of the act, shall be entitled to have that retirement allowance or annuity, disability

benefit, survivorship annuity or survivorship benefit increased by an amount equal to \$20 per month. Notwithstanding section 356.18, increases in payments pursuant to this section shall be made automatically unless the intended recipient files written notice with the executive director of the Minnesota state retirement system requesting that the increase shall not be made. If any actuarial reduction or adjustment was applied to the retirement allowance or annuity, disability benefit, survivorship annuity or survivor of deceased active employee benefit, the increase specified in this section shall be similarly reduced or adjusted. Upon the death of any person receiving an annuity or benefit where the person made a joint and survivor optional annuity election, the survivor shall be entitled to the continued receipt of the increase provided for under this section; provided, however, that the increase shall be reduced or adjusted in accordance with the optional annuity election.

Sec. 11. [TERMINATION OF FUND; TRANSFER OF ASSETS AND RECORDS OF FUND.] Subdivision 1. [TRANSFER OF ASSETS.] On the effective date of this act, the retirement allowance committee of the metropolitan transit commission—transit operating division employees retirement fund shall transfer the entire assets of the fund to the Minnesota state retirement system. The assets shall include whatever interest the fund has in any debt or equity securities, any bank deposits, all accounts receivable, irrespective of source, any real or personal property holdings, any accrued interest or dividends on stock declared but not yet received, and any equipment. Any accounts payable on the effective date of this act shall also be transferred to the Minnesota state retirement system. The Minnesota state retirement system shall be the successor in interest to all claims for and against the metropolitan transit commission—transit operating division employees retirement fund or the metropolitan transit commission with respect to the fund, except any claim against the metropolitan transit commission—transit operating division employees retirement fund or any person connected with the fund in a fiduciary capacity, based on any act or acts by that person which were not done in good faith and which constituted a breach of his obligation as a fiduciary. As a successor in interest, the Minnesota state retirement system may assert any applicable defense in any judicial proceeding which the retirement allowance committee of the metropolitan transit commission—transit operating division employees retirement fund or the metropolitan transit commission would otherwise have been entitled to assert. If the assets transferred to the Minnesota state retirement system include securities which are not proper investments pursuant to section 11.16, those securities may be retained by the board of directors for a period of time not to exceed the maturity date of the security involved or twenty-four months after the date of the transfer of the assets, whichever is earlier. Notwithstanding any contrary provision of section 11.25, subdivision 10, the Minnesota state retirement system shall not be required to sell any of the transferred securities and transfer cash equal to the required reserves to be transferred to the Minnesota adjustable fixed benefit fund pursuant to section 8, subdivision 3, of this act. The

transfer to the Minnesota adjustable fixed benefit fund shall be made from those transferred securities which are proper investments pursuant to section 11.16. If the transfer results in an adverse change in portfolio balance of the Minnesota adjustable fixed benefit fund, exceeding the limitations set forth in section 11.25, subdivision 2, the deviation may be permitted by the state board of investment for a period not to exceed three months from the date that the portfolio balance limitation was exceeded.

Subd. 2. [VALUATION OF ASSETS.] The assets of the metropolitan transit commission—transit operating division employees retirement fund shall be valued upon the date of transfer in a manner agreeable to the retirement allowance committee of the metropolitan transit commission—transit operating division employees retirement fund and the board of directors of the Minnesota state retirement system. In determining the value of the assets of the metropolitan transit commission—transit operating division employees retirement fund, the board of trustees of the Minnesota state retirement system shall utilize the state board of investment in an advisory capacity. If the two parties cannot agree on the value of the assets of the metropolitan transit commission—transit operating division employees retirement fund, then the board of trustees of the Minnesota state retirement system shall specify the value of the assets. If the retirement allowance committee contests the value of the assets as specified by the board of directors of the Minnesota state retirement system, then the dispute shall be submitted to the district court of the second judicial district.

Subd. 3. [TRANSFER OF RECORDS.] On the effective date of this act, the retirement allowance committee of the metropolitan transit commission—transit operating division employees retirement fund shall transfer to the Minnesota state retirement system all records and documents relating to the metropolitan transit commission—transit operating division employees retirement fund and any of its members, including certified copies of the most recent and all previous collective bargaining agreements relating to retirement and the retirement fund, which are in the possession of the retirement allowance committee, the actuary of the retirement fund, the metropolitan transit commission or labor organization which is the exclusive bargaining agent for employees of the transit operating division of the metropolitan transit commission. In addition, the retirement allowance committee shall certify the following to the board of directors of the Minnesota state retirement system:

(a) the date of retirement or commencement of retirement annuities or benefits of and the amounts entitled to be received by all persons receiving retirement allowances or annuities, disability benefits, survivorship annuities and survivor of deceased active employee benefits from the metropolitan transit commission—transit operating division employees retirement fund as of the effective date of this act; and

(b) the amount of member or employee contributions made by, the dates of service commencement and termination of, the length of service credited to, and the salaries of all active and inactive

members of the metropolitan transit commission—transit operating division employees retirement fund as of the effective date of this act.

Subd. 4. [TERMINATION OF THE FUND.] Upon the transfer of the assets, liabilities and records of the metropolitan transit commission—transit operating division employees retirement fund to the Minnesota state retirement system, the metropolitan transit commission—transit operating division employees retirement fund shall cease to exist as a legal entity. As its final official act, the retirement allowance committee shall notify in writing the secretary of the federal department of labor of the termination of the fund and the transfer of pension coverage and obligations to the fund to the Minnesota state retirement system. A copy of this act shall also be included with the written notification.

Sec. 12. [ADDITIONAL EMPLOYER OBLIGATION TO AMORTIZE UNFUNDED ACCRUED LIABILITIES.] In order to amortize the additional unfunded accrued liability incurred by the Minnesota state retirement system as a result of the consolidation of the metropolitan transit commission—transit operating division employees retirement fund, and to place the metropolitan transit commission on an equivalent basis with the other employing units and agencies having employees covered by the Minnesota state retirement system, the metropolitan transit commission shall make an annual contribution to the Minnesota state retirement system in addition to the employer contribution specified in section 352.04, subdivision 3. The additional contribution shall be an amount equal to three and eight-tenths percent of the salaries of employees of the transit operating division on each payroll abstract, commencing July 1, 1978, and payable for a period of 20 years.

Sec. 13. [DISABILITY AND SURVIVORSHIP COVERAGE.] From and after the effective date of this act, the metropolitan transit commission shall provide for all active employees of the transit operating division of the metropolitan transit commission disability and survivorship coverage which, when added to the disability benefit or the survivorship benefit payable from the Minnesota state retirement system pursuant to sections 352.113 or 352.12, subdivision 2, will at least equal the disability benefit or the survivorship benefit which that employee at the time of disability or the employee's surviving spouse at the time of the death of the employee while on active duty would have been entitled to receive under the disability benefit or survivor of active employee deceased while on active duty benefit provisions of the metropolitan transit commission—transit operating division employees retirement fund plan documented in effect immediately prior to the effective date of this act. The metropolitan transit commission may elect to provide the additional disability and survivorship coverage either through contract with an insurance carrier or through self insurance. If the commission elects to provide the coverage through an insurance contract, the chairman of the metropolitan transit commission is authorized to request bids from, or to negotiate with, insurance carriers and to enter into contracts with carriers which in the judgment of the commission are best

qualified to underwrite and service this insurance benefit coverage. The commission shall consider factors such as the cost of the contracts as well as the service capabilities, character, financial position and reputation with respect to carriers under consideration, as well as any other factors which the commission deems appropriate. The disability and survivorship insurance contract with the particular insurance carrier shall be for a uniform term of at least one year, but may be made automatically renewable from term to term in absence of notice of termination by either party. The disability and survivorship insurance contract shall contain a detailed statement of benefits offered, maximums, limitations and exclusions. A summary description of the essential terms of the contract shall be provided by the commission to the labor organization which is the exclusive bargaining agent representing employees of the transit operating division of the metropolitan transit commission and to each active employee of the transit operating division. The determination of whether the disability or survivorship insurance coverage meets the minimum requirements of this section shall be made by the commission upon consultation with the executive director of the Minnesota state retirement system. If the disability or survivorship coverage provided by the metropolitan transit commission fails at any time after the effective date of this act to meet the requirements of this section as to the level of disability or survivorship coverage to be provided, the deficiency in the actual benefits provided shall continue to be an obligation of the commission. Notwithstanding any provisions of chapter 179 to the contrary, the labor organization which is the exclusive bargaining agent representing employees of the transit operating division of the metropolitan transit commission may meet and bargain with the commission on an increase in the level of disability or survivor of active employee deceased while on active duty coverage to be provided by the commission at the same time that wages and other terms and conditions of employment are considered.

Sec. 14. [MANDATORY RETIREMENT AGE.] An employee of the transit operating division of the metropolitan transit commission and an employee on leave of absence from the transit operating division of the metropolitan transit commission who is employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division shall terminate employment on the first day of the month next following the month in which the employee reaches the age of 65; provided, however, that an employee of the transit operating division may be employed beyond the age of 65 at the option of the metropolitan transit commission, but shall not be employed beyond the first day of the month next following the month in which the employee reaches the age of 70.

Sec. 15. [NONAPPLICABILITY OF CERTAIN PROVISIONS.] Nothing required by any provision of this act shall constitute abandonment of the plan within the meaning of that or a similar term contained in any collective bargaining agreement entered into between the metropolitan transit commission and the labor organization which is the exclusive bargaining agent repre-

sending employees of the transit operating division of the metropolitan transit commission.

Sec. 16. [EMPLOYER CONTRIBUTIONS FOR CERTAIN EMPLOYEES.] *Notwithstanding any contrary provisions of section 352.029, the metropolitan transit commission shall make the employer contributions required pursuant to section 352.04, subdivision 3, for any employee on authorized leave of absence from the transit operating division of the metropolitan transit commission who is employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division and who is covered by the Minnesota state retirement system in addition to all other employer contributions the commission is required to make.*

Sec. 17. [GENERAL ADMINISTRATION.] *Any provisions of this act relating to the administration of provisions of the metropolitan transit commission—transit operating division employees retirement fund plan documents in force on or prior to the effective date of this act shall be governed by the provisions of Minnesota Statutes, Chapter 352, in all instances where not inconsistent with the explicit provisions of any plan document.*

Sec. 18. [REFUND OF CERTAIN EMPLOYEE CONTRIBUTIONS.] *All active employees of the transit operating division of the metropolitan transit commission who were members of the metropolitan transit commission transit operating division employees retirement fund on June 30, 1978, and who made employee contributions to that retirement fund shall be entitled to a refund of any employee contributions to that retirement fund in excess of four percent of covered salary made between January 1, 1978 and June 30, 1978. The refund shall be made on or after July 1, 1978 upon the employee filing a valid application with the executive director of the Minnesota state retirement system.*

Sec. 19. [FUTURE ACTUARIAL VALUATIONS.] *Notwithstanding section 356.215, the retirement allowance committee of the metropolitan transit commission—transit operating division employees retirement fund shall not be required to have an actuarial valuation made as of January 1, 1978. The executive director of the Minnesota state retirement system shall include the transferred membership, liabilities and assets of the metropolitan transit commission—transit operating division employees retirement fund in the valuation of the Minnesota state retirement system next following the effective date of this act.*

Sec. 20. [EFFECTIVE DATE.] *This act shall be effective July 1, 1978.*

Sec. 21. [RETROACTIVE EFFECT.] *This act shall have retroactive application for any person who, on or after January 1, 1978, but prior to July 1, 1978,*

(a) *terminates active service from the transit operating division of the metropolitan transit commission with less than ten years of active service;*

(b) *terminates active service from the transit operating division*

of the metropolitan transit commission with at least ten years of active service;

(c) becomes so disabled that the person is unable to continue to perform his duties as an active employee of the transit operating division of the metropolitan transit commission within the meaning of article ten of the most recent collective bargaining agreement in force between the metropolitan transit commission and the labor organization which is the exclusive bargaining agent representing employees of the transit operating division of the metropolitan transit commission and has at least five years of active service; or

(d) becomes the surviving spouse of a former active employee of the transit operating division of the metropolitan transit commission who dies as a result of an accident which occurs during his employment with the transit operating division.

Any person obtaining the status described in clause (a) shall be entitled to receive a refund of employee contributions under section 352.22, subdivision 2a. Any person obtaining the status described in clause (b) shall be entitled to receive an annuity under section 352.115, subdivisions 2 and 3, notwithstanding that the person had not attained the minimum age specified in section 352.115, subdivision 1, at the time of the commencement of the annuity; provided, however, that the early retirement reduction factor specified in section 352.116, subdivision 1, shall apply unless the age of the person at the commencement of the annuity was at least 65 if the person had credit for ten or more years of service, or was at least age 62 if the person had credit for 30 or more years of service. Any person obtaining the status described in clause (c) shall be entitled to receive a benefit in an amount equal to the accrued retirement annuity computed pursuant to section 352.115, subdivisions 2 and 3, without the reduction for early commencement of the benefit set forth in section 352.116, with a minimum disability benefit of \$130 per month and a maximum disability benefit of the amount of the disability benefit which, when added to any earnings from partial or total re-employment, shall not exceed 85 percent of the current top rate of salary paid to the employment position classification held by the person at the time of the occurrence of the disability. Upon the commencement of a disability under this section, section 352.113, subdivisions 1 through 11 shall not be considered applicable to that person. Any person obtaining the status described in clause (d) shall be entitled to receive a benefit in an amount equal to the benefit provided by section 352.12, subdivision 2, notwithstanding the fact that the former active employee may not have attained one of the ages or have been credited with one of the lengths of service specified in that subdivision.

Any person entitled to receive an increase pursuant to section 9 of this act shall be entitled to receive the increase retroactively to January 1, 1978. The first payment of retirement allowances or annuities, disability benefits, survivorship annuities and survivorship benefits shall include the retroactive amounts."

Further, amend the title as follows:

Page 1, line 8, strike "and"

Page 1, line 9, after "subdivision," insert "356.20, Subdivision 2;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 814: A bill for an act relating to automobile insurance; prohibiting discrimination against the physically handicapped; amending Minnesota Statutes 1976, Section 65B.13.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 65B.131, is amended to read:

65B.131 [AUTOMOBILE INSURANCE, DISCRIMINATION IN AUTOMOBILE POLICIES FORBIDDEN.] No person, authorized under the laws of this state to sell and provide automobile insurance as defined by the commissioner, and providing such insurance under any policy covering all the members of any family who are of the age and licensed to drive those motor vehicles which are owned, leased or regularly operated by such family members shall require, demand or receive any increase in premium payment for such insurance coverage solely on the basis that a handicapped member of that family has attained the age for the lawful operation of a motor vehicle on the roadways of this state if such handicapped member of the family shall refuse to issue any standard policy of automobile liability insurance or make any discrimination in the acceptance of risks, in rates, premiums, dividends, or benefits of any kind, or by way of rebate solely on account of physical handicap if the handicap can be accommodated by special training, equipment, prosthetic device, corrective lenses, or medication and if the physically handicapped person

(a) has successfully completed any approved driver education course;

(b) shall operate only such vehicle or vehicles as are equipped with auxiliary devices and equipment necessary for and permitting the safe and effective operation of such vehicle or vehicles by the handicapped family member; and

(c) is licensed by the department of public safety to operate a motor vehicle in this state."

Amend the title as follows:

Page 1, line 4, strike "65B.13" and insert "65B.131"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

S. F. No. 1738: A bill for an act relating to game and fish; increasing certain nonresident license fees; amending Minnesota Statutes 1976, Section 98.46, Subdivisions 14, as amended, and 15.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, strike "1976" and insert ", 1977 Supplement"

Page 1, line 9, strike "as amended by Laws 1977, Chapter 310,"

Page 1, line 10, strike "Section 4,"

Page 1, line 17, strike "\$120" and insert "\$75"

Page 1, line 22, reinstate the stricken language and strike "\$60"

Page 2, line 8, reinstate the stricken language and strike "\$10"

Page 2, after line 8, insert

"(3) An individual license to take fish by angling for 21 consecutive days, \$10;

(4) A combination husband and wife license to take fish by angling for 21 consecutive days, \$15;"

Page 2, line 9, strike "(3)" and insert "(5)"

Page 2, line 9, before "Combination" insert "A" and after "wife" insert "license"

Amend the title as follows:

Line 4, strike "1976" and insert ", 1977 Supplement"

Line 4, strike "Subdivisions" and insert "Subdivision" and strike ", as"

Line 5, strike "amended," and insert a semicolon and after "and" insert "Minnesota Statutes 1976, Section 98.46, Subdivision"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 1442: A bill for an act relating to education; teachers; transferring certain functions of teacher licensing from the state board of education and the commissioner of education to the state board of teaching; amending Minnesota Statutes 1976, Sections 125.05, Subdivision 1; 125.08; 125.182, Subdivision 2; 125.185, Subdivisions 4, 5 and 6; repealing Minnesota Statutes 1976, Section 125.182, Subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 6, strike "1976" and insert ", 1977 Supplement"

Page 2, line 11, delete ", which shall not be less than"

Page 2, line 12, delete "\$10"

Page 2, line 12, after the period insert "Each application for the issuance, renewal or extension of a superintendent's or principal's license shall be accompanied by a processing fee in an amount set by the state board of education by rule."

Page 2, line 12, delete "such fee" and insert "these fees"

Page 2, line 13, reinstate the stricken language

Page 2, line 13, before "executive" insert "or the"

Page 2, line 14, after the comma insert "as applicable,"

Page 2, line 17, delete "fee" and insert "fees"

Page 2, line 17, delete "board" and insert "boards"

Page 2, line 20, delete "those cases" and insert "any case"

Page 2, after line 27, insert:

"Sec. 4. Minnesota Statutes 1976, Section 125.183, Subdivision 1, is amended to read:

125.183 [MEMBERSHIP.] Subdivision 1. A board of teaching consisting of ~~17~~ 15 members appointed by the governor is hereby established. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements shall be as provided in sections 214.07 to 214.09. No member shall be reappointed for more than one additional term.

Sec. 5. Minnesota Statutes 1976, Section 125.183, Subdivision 3, is amended to read:

Subd. 3. Except for the representatives of higher education and the public, to be eligible for appointment to the board of teaching a person must be fully licensed for the position he holds and have at least five years teaching experience in Minnesota, including the two years immediately preceding nomination and appointment. The board shall be composed of one teacher whose responsibilities are those either of a counselor, librarian, psychologist, remedial reading teacher, speech therapist, vocational teacher, or certified school nurse, ~~four~~ three elementary school classroom teachers, ~~four~~ three secondary classroom teachers, three higher education representatives, from higher education faculties preparing teachers, two of whom shall be representatives of state institutions and one of whom shall be a representative of private institutions; one school administrator and four members of the public. Each nominee other than a public nominee shall be selected on the basis of his professional experience, and knowledge of teacher education, accreditation and licensure."

Page 2, line 31, reinstate the stricken language

Page 2, line 32, reinstate the stricken language

Page 3, line 1, strike “, and” and insert “*review and comment within 60 days of receipt of the rule.*”

Page 3, line 3, strike “subject” and insert “pursuant”

Page 3, line 30, strike “under Laws 1973, Chapter” and insert “*pursuant to the provisions of Minnesota Statutes, Chapter 125*”

Page 3, line 31, strike “749”

Page 3, line 32, reinstate the stricken language

Page 4, line 1, after the stricken “1974” insert “*of each year*”

Page 4, line 1, reinstate “, or as soon thereafter as is practicable,”

Page 4, line 1, strike “each year”

Page 4, after line 15, insert:

“Sec. 9. Minnesota Statutes, 1977 Supplement, Section 125.185, Subdivision 9, is amended to read:

Subd. 9. The board of teaching may adopt rules to implement sections 125.04 to 125.09 and 125.181 to 125.187 ; after approval by the state board of education .

Sec. 10. [TRANSFER OF APPROPRIATED SUMS.] *Of the sum appropriated to the department of education in Laws 1977, Chapter 449, Section 2, Subdivision 6, for the year ending June 30, 1979, the sum of \$134,725 is transferred and reappropriated to the board of teaching for that year. Of the sum appropriated to the department of education in Laws 1977, Chapter 449, Section 2, Subdivision 8, for the year ending June 30, 1979, the sum of \$5,630 is transferred and reappropriated to the board of teaching for that year.*”

Page 4, line 18, strike “1977” and insert “1978”

Page 4, line 21, strike “1977” and insert “1978”

Renumber the sections accordingly

Amend the title as follows:

Page 1, line 7, strike “125.08;”

Page 1, line 7, after “2;” insert “125.183, Subdivisions 1 and 3;”

Page 1, line 8, after “6;” insert “Minnesota Statutes, 1977 Supplement, Sections 125.08; and 125.185, Subdivision 9;”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1717: A bill for an act relating to nursing; providing for issuance of certain licenses without examination to persons receiving certain training or licensing outside this state; amending

Minnesota Statutes 1976, Section 148.211, Subdivision 2; and 148.291, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike all of section 1

Page 2, lines 3 to 13, strike the new language and reinstate the stricken language

Page 2, line 16, after the period insert *"A person who has been licensed as a licensed practical nurse in another state, who has passed a licensing examination acceptable to the board and who has had 24 months of experience as a licensed practical nurse in the five years prior to applying for a license shall not be required to meet any additional educational requirements."*

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 6, strike "148.211, Subdivision 2; and"

And when so amended the bill do pass. Amendments adopted.
Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1926: A bill for an act relating to corrections; providing for the licensing of correctional facilities; amending Minnesota Statutes 1976, Sections 241.021, Subdivision 1; 641.09; and 641.18.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 1, after the period, insert *"Commencing September 1, 1980, no individual, corporation, partnership, voluntary association or other private organization legally responsible for the operation of a correctional facility may operate the facility unless licensed by the commissioner of corrections. The commissioner may provide by rule for provisional licenses which authorize the operation of a correctional facility on a temporary basis where the operator is temporarily unable to comply with all of the requirements for a license."*

Page 2, line 2, strike "these" and after "rules" insert *"setting standards for group homes established under the direction of the juvenile courts"*

Page 2, strike line 3 after "until" and insert *"September 1, 1979."*

Page 2, strike lines 4 to 8

Page 2, strike line 9 before "The"

Page 3, line 23, strike "section" and insert "subdivision"

Page 3, line 24, after "facility" insert *", including a group home."*

Page 3, line 24, strike "*and in*" and insert "*, the primary purpose of which is to serve persons*"

Page 3, strike line 25

Page 3, line 26, strike "*any calendar year were*"

Page 3, after line 29, insert:

"Sec. 2. Minnesota Statutes 1976, Section 260.185, Subdivision 1, is amended to read:

260.185 [DISPOSITIONS; DELINQUENT CHILD.] Subdivision 1. If the court finds that the child is delinquent, it shall enter an order making any of the following dispositions of the case which are deemed necessary to the rehabilitation of the child:

(a) Counsel the child or his parents, guardian, or custodian;

(b) Place the child under the supervision of a probation officer or other suitable person in his own home under conditions prescribed by the court including reasonable rules for his conduct and the conduct of his parents, guardian, or custodian, designed for the physical, mental, and moral well-being and behavior of the child, or with the consent of the commissioner of corrections, in a group foster care facility which is under the management and supervision of said commissioner;

(c) Subject to the supervision of the court, transfer legal custody of the child to one of the following:

(1) A child placing agency; or

(2) The county welfare board; or

(3) A reputable individual of good moral character. *No person may receive custody of two or more unrelated children unless he is licensed as a residential facility pursuant to sections 245.781 to 245.813 ; or*

(4) Except for children found to be delinquent as defined in section 260.015, subdivision 5, clauses (c) and (d), unless the child has previously appeared before a juvenile court on the same charge, and in the judgment of the court, community resources have been exhausted, a county home school, if the county maintains a home school or enters into an agreement with a county home school; or

(5) A county probation officer for placement in a group foster home established under the direction of the juvenile court in accordance with standards established by the commissioner of corrections and licensed pursuant to section 241.021;

(d) Except for children found to be delinquent as defined in section 260.015, subdivision 5, clauses (c) and (d), unless the child has previously appeared before a juvenile court on the same charge, and in the judgment of the court, community resources have been exhausted, transfer legal custody by commitment to the commissioner of corrections;

(e) If the child is found to have violated a state or local law or ordinance which has resulted in damage to the property of another, the court may order the child to make reasonable restitution for such damage;

(f) If the child is in need of special treatment and care for his physical or mental health, the court may order the child's parent, guardian, or custodian to provide it. If the parent, guardian, or custodian fails to provide this treatment or care, the court may order it provided.

(g) If the court believes that it is in the best interests of the child and of public safety that the driver's license of the child be cancelled until his eighteenth birthday, the court may recommend to the commissioner of transportation the cancellation of the child's license for any period up to the child's eighteenth birthday, and the commissioner is hereby authorized to cancel such license without a hearing. At any time before the termination of the period of cancellation, the court may, for good cause, recommend to the commissioner of transportation that the child be authorized to apply for a new license, and the commissioner may so authorize.

Any order for a disposition authorized under this section shall contain written findings of fact to support the disposition ordered, and shall also set forth in writing the following information:

(a) Why the best interests of the child are served by the disposition ordered; and

(b) What alternative dispositions were considered by the court and why such dispositions were not appropriate in the instant case."

Page 4, after line 16, insert:

"Sec. 5. The commissioner shall appoint an advisory task force consisting of at least nine persons and including representation from the judiciary serving the juvenile court, county probation officers, and county board members to assist in the development of standards for the correctional facilities defined in section 241.021, subdivision 1 (5), including group foster homes established under the direction of the juvenile court. The provisions of section 15.059, subdivision 6, shall govern the terms, compensation and removal of the members of the advisory task force.

Sec. 6. Section 2 of this act is effective September 1, 1979."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after "Subdivision 1;" insert "260.185, Subdivision 1;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1623: A bill for an act relating to health; ambulance licensing law; providing that certain licenses are valid.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike lines 6 to 12 and insert:

"Section 1. Notwithstanding any provision of sections 144.801 to 144.8091, any person operating an ambulance service on the effective date of this act who was issued a license by the Minnesota board of health between December 31, 1974 and January 1, 1976 may continue to operate the ambulance service without the issuance of an additional license or license renewal until January 1, 1980."

Amend the title as follows:

Page 1, strike line 3 after "providing" and insert "for the continuation of certain ambulance services."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 1976: A bill for an act relating to retirement; teachers retirement association; prospective discontinuation of the variable annuity program; amending Minnesota Statutes 1976, Sections 345.44, Subdivision 7; 354.62, Subdivisions 1 and 2; and Chapter 354, by adding a section.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 2117: A bill for an act relating to highways; county state-aid highway system; allocation of apportionments; authorizing money credited to the municipal account to be used on certain county state-aid highways; amending Minnesota Statutes 1976, Section 162.08, Subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, strike "LEGGISLATURE" and insert "LEGISLATURE"

Page 1, line 9, strike "STTE" and insert "STATE"

Page 2, line 2, strike the last "and"

Page 2, line 3, strike "regulations"

Page 2, line 6, strike "and regulations"

Page 2, line 24, strike "current and"

Page 3, line 13, after "standards" insert a comma

Page 3, line 16, after "budget" insert "*consistent with the county's transportation plan, or there are justifiable reasons, beyond the control of the county that prohibit the county from programming or constructing the requested improvement or improvements, which have been created by or within the city*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 2193: A bill for an act relating to town roads; providing that town roads are vacated after 25 years without maintenance; amending Minnesota Statutes 1976, Section 164.07, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 164.07, is amended by adding a subdivision to read:

Subd. 13. [EXCEPTION; ABANDONED ROADS.] Notwithstanding the provisions of subdivisions 1 to 12, a town may vacate a town road on which no maintenance or construction has been done for a period of 25 years by adopting a written resolution to that effect at an annual town meeting; provided that written notice of the intention to vacate the road is given in the official notice of the annual meeting. When a town road is vacated pursuant to this subdivision the public right of way is extinguished and reverts to the owner of the underlying fee. If any property is deprived of all existing reasonable access by extinguishment of a public right of way and any owner of that property has used that right of way for access during the seven years preceding that extinguishment, the owner of that property shall have an easement of access over the property to which the right of way has reverted."

Amend the title as follows:

Page 1, line 2, strike "providing that town roads"

Page 1, line 3, strike everything before the semicolon and insert "allowing vacation of certain town roads without regular vacation procedures; preserving easement of access to affected property owners"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred the following appointment as reported in the Journal for February 16, 1978:

**CRIME CONTROL PLANNING BOARD
CHAIRPERSON**

Jacqueline O'Donoghue Reiss

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which were referred the following appointments as reported in the Journal for February 9, 1978:

CRIME CONTROL PLANNING BOARD

Cheryl Morrison

Gerald Benjamin

Jimmy H. Evans

Frederick D. McDougall, Sr.

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 2312 and 1936 for comparison with companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their second reading and substituted for their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
		2312	2157		
		1936	1775		

and that the above Senate Files be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1193, 2025, 2154, 2166, 1764, 1952, 2048, 1747, 1905, 1909, 2023, 1885, 1564, 2069, 2136, 622, 1862, 1901, 1641, 2155, 1130, 2308, 1973, 2192, 2006, 1581, 2123, 2150, 2239, 1721, 1759, 1916, 1468, 1660 and H. F. Nos. 1442, 338 makes the following report:

That S. F. Nos. 1193, 2025, 2154, 2166, 1764, 1952, 2048, 1747, 1905, 1909, 2023, 1885, 1564, 2069, 2136, 622, 1862, 1901,

1641, 2155, 1130, 2308, 2192, 2006, 1581, 2123, 2150, 2239, 1759, 1916, 1468, 1660 and H. F. Nos. 1442, 338 be placed on the General Orders Calendar in the order indicated.

That S. F. Nos. 1973 and 1721 are being retained in the Subcommittee.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, pursuant to the second paragraph of Rule 40 and on request of Messrs. Olhoft and Perpich, first authors of S. F. Nos. 2236 and 2112 respectively, recommends that the Senate Files be withdrawn from the Committee on Health, Welfare and Corrections and referred to the Committee on Finance. Report adopted.

SECOND READING OF SENATE BILLS

S. F. No. 2045 was read the second time.

S. F. Nos. 2178, 2159, 1772, 1345, 2139, 1618, 1850, 2300, 2170, 2152, 2248, 2294, 2182, 1954, 1117, 1788, 740, 427, 1917, 2158, 1900, 2281, 2130, 2342, 1985, 814, 1738, 1442, 1717, 1926, 1623, 1976, 2117, 2193, 2370 and 2371 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 2312 and 1936 were read the second time.

H. F. Nos. 2000, 1878 and 1908 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Vega moved that the name of Mr. Benedict be added as co-author to S. F. No. 2255. The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1191 a Special Order to be heard immediately.

H. F. No. 1191: A bill for an act relating to taxation; creating special districts to be called tax increment financing districts; providing for tax increment financing of renewal and development projects; amending Minnesota Statutes 1976, Chapter 273, by adding sections; Sections 458.192, Subdivision 11; 462.585, Subdivision 1; 472A.06; 473F.02, Subdivision 3; 474.10, Subdivision 2; and repealing Minnesota Statutes 1976, Sections 458.192, Subdivision 12; 462.545, Subdivision 5; 462.585, Subdivisions 2, 3 and 4; 472A.07; and 472A.08.

Mr. Hanson moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 9, line 17, strike "No tax"

Page 9, strike line 18 and insert "*No bonds shall be issued to finance a tax increment project*"

Page 9, line 19, strike "body" and "*submitting the plan for approval*"

Page 9, line 22, after "*covering*" insert "*, in the case of a housing or economic development project,*"

Page 9, line 22, after "*percent*" insert "*or, in the case of a redevelopment project, 75 percent*"

The motion prevailed. So the amendment was adopted.

Mr. Hanson then moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 3, line 12, after "11" insert "*, which is*"

Page 18, line 1, strike "*authorized*" and insert "*permitted*"

The motion prevailed. So the amendment was adopted.

Mr. Hanson then moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 4, line 32, after "*or*" insert "*that*" and strike "*devoted to providing housing*" and insert "*intended for occupancy primarily by*"

Page 5, line 1, strike "*for*"

Page 5, line 2, strike "*and regulations promulgated*"

Page 5, line 3, strike "*thereunder*"

Page 5, line 5, strike "*or the Farmers Home Administration*" and insert "*Title V of the Housing Act of 1949, as amended, or the regulations promulgated under any of those acts.*"

Page 5, line 6, strike "*Act.*"

Page 5, line 7, strike "*for*" and insert "*intended for occupancy primarily by*"

Page 25, line 31, after "*for*" insert "*occupancy primarily by*"

Page 25, line 32, after "462A" strike "*and*"

Page 26, line 1, strike "*regulations promulgated thereunder*"

Page 26, line 4, strike "*Farmers Home Administration Act*" and insert "*Title V of the Housing Act of 1949, as amended, or the regulations promulgated under any of those acts*"

The motion prevailed. So the amendment was adopted.

Mr. Hanson then moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 10, line 13, strike "*, whether adopted before or after the*"

Page 10, line 14, strike "*effective date of this act,*"

Page 24, strike lines 3 to 11 and insert:

"[273.86] [EXISTING PROJECTS.] *The provisions of sections 1 to 15 shall not affect any redevelopment project as defined in section 462.421, subdivision 13, industrial development district as defined in section 458.191, project as defined in section 474.02, subdivision 1 or section 362A.01, subdivision 2, or development district as defined in section 472A.02, subdivision 3 or any special law, for which certification was requested pursuant to those laws prior to the effective date of sections 1 to 15, or any project carried on by an authority pursuant to Minnesota Statutes, Section 462.545, Subdivision 5 with respect to which the governing body has by resolution designated properties for inclusion in the project prior to the effective date of sections 1 to 15, except:*

(a) *As otherwise provided in sections 1 to 15;*

(b) *As an authority may elect to proceed with an existing redevelopment project, industrial development district, project or development district under the provisions of sections 1 to 15; or*

(c) *That any geographic area added to an existing redevelopment project, industrial development district, project or development district as a result of boundary expansion subsequent to the effective date of sections 1 to 15 shall be added in accordance with and be subject to the terms and conditions of sections 1 to 15."*

Page 29, after line 11, insert:

"Sec. 19. Minnesota Statutes 1976, Section 462.545, Subdivision 5, is amended to read:

Subd. 5. [SPECIAL BENEFIT TAX FUND.] *In the event the authority shall issue bonds or other obligations to finance a redevelopment project, the authority may, in its discretion, with the consent of the governing body obtained at the time of the approval of the redevelopment plan as required in section 462.521, notify the county treasurer to set aside in a special fund, for the retirement of such bonds and interest thereon, all or part of the real estate tax revenues derived from the real property in the redevelopment area which is in excess of the tax revenue derived therefrom in the tax year immediately preceding the acquisition of such property by the authority, and it shall be the duty of the county treasurer so to do. Such setting aside of funds shall continue until the bonds or other obligations have been retired. The provisions of this subdivision shall not apply with respect to any property which the governing body has not by resolution designated for inclusion in a project prior to the effective date of this act."*

Renumber the sections in sequence

Page 35, line 14, strike "*472A.07,*"

Page 35, line 15, strike "*Subdivision 4;*"

Further, amend the title as follows:

Line 11, after "11;" insert "462.545, Subdivision 5;"

Line 11, delete "462.545, Subdivision 5;"

Line 17, strike "472A.07, Subdivision 4;"

The motion prevailed. So the amendment was adopted.

Mr. Hanson then moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 15, line 8, after "*if*" insert "*the sum of (1)*"

Page 15, line 10, after "*municipality*" strike "*when added to*" and insert "*plus (2)*"

Page 15, line 11, strike "*its*" and insert "*completion of construction*"

Page 15, line 12, strike "*termination*"

Page 15, line 12, strike "*project*" and insert "*tax increment financing*"

Page 15, line 12, after "*plus*" insert "*(3)*"

Page 15, line 14, strike "*certified*" and insert "*approved*"

Page 15, line 15, strike "*their termination dates*" and insert "*completion of construction*"

Page 15, line 15, after "*according to*" strike "*their*" and insert "*the tax increment*"

Page 15, line 16, after "*plan,*" insert "*or in the case of projects or districts which were approved prior to the effective date of sections 1 to 15, pursuant to a law which did not at the time of approval require adoption of a tax increment financing plan, the unrealized estimated captured assessed valuation, upon completion of all improvements which have been approved by the authority within the project or district at the time when the new project is proposed,*"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 11, line 23, after "*within*" strike "*a*" and insert "*an economic development project or housing*"

Page 12, line 4, after "*district.*" insert "*No tax increments shall be paid to an authority for a redevelopment project after three years from the date of certification of the value of the tax increment district pursuant to section 7 unless within said three years (a) bonds have been issued pursuant to sections 11 through 13 in aid*"

of the redevelopment project, (b) the authority has acquired property within the redevelopment project, or (c) the authority has constructed public improvements within the redevelopment project."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 30, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Keefe, J.	Penny	Stokowski
Ashbach	Engler	Knaak	Pillsbury	Ueland, A.
Bang	Frederick	Knoll	Purfeerst	Ulland, J.
Bernhagen	Gearty	Laufenburger	Renneke	
Borden	Hughes	Lessard	Sieloff	
Chenoweth	Humphrey	Ogdahl	Staples	

Those who voted in the negative were:

Benedict	Hanson	McCutcheon	Peterson	Spear
Chmielewski	Jensen	Moe	Schaaf	Strand
Coleman	Johnson	Nelson	Schmitz	Stumpf
Davies	Keefe, S.	Nichols	Setzepfandt	Vega
Dieterich	Kleinbaum	Olhoft	Sillers	Wegener
Gunderson	Luther	Olson	Solon	Willet

The motion did not prevail. So the amendment was not adopted.

Mrs. Staples moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 1, lines 23 and 28, strike "16" and insert "15"

Page 5, line 23, strike "16" and insert "15"

Page 16, lines 25 and 28, strike "16" and insert "15"

Page 17, line 5, strike "16" and insert "15"

Page 19, line 17, strike "16" and insert "15"

Page 20, lines 5 and 31, strike "16" and insert "15"

Page 21, line 19, strike "16" and insert "15"

Page 22, line 5, strike "16" and insert "15"

Pages 22 to 23, strike section 14

Page 24, lines 4, 8, and 11, strike "16" and insert "15"

Page 27, line 32, strike "16" and insert "15"

Page 30, line 10, strike "16" and insert "15"

Renumber the sections in sequence

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 41 and nays 11, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Purfeerst	Strand
Ashbach	Gearty	Knutson	Renneke	Stumpf
Bang	Hughes	Laufenburger	Schmitz	Ueland, A.
Benedict	Humphrey	Lessard	Setzepfandt	Ulland, J.
Bernhagen	Jensen	Moe	Sieloff	Wegener
Borden	Johnson	Nelson	Sikorski	
Chenoweth	Keefe, J.	Ogdahl	Sillers	
Dunn	Kleinbaum	Olhoff	Staples	
Engler	Knaak	Penny	Stokowski	

Those who voted in the negative were:

Chmielewski	Dieterich	McCutcheon	Schaaf	Vega
Coleman	Luther	Olson	Spear	Willet
Davies				

The motion prevailed. So the amendment was adopted.

Mr. Anderson moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 11, line 16, strike "three" and insert "five"

The motion prevailed. So the amendment was adopted.

Mr. Laufenburger moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 17, line 8, strike "20" and insert "25"

Page 17, line 13, strike "ten" and insert "15"

Mr. Anderson requested division of the amendment as follows:

First portion:

Page 17, line 8, strike "20" and insert "25"

Second portion:

Page 17, line 13, strike "ten" and insert "15"

The question was taken on the adoption of the first portion of the amendment. The motion prevailed. So the first portion of the amendment was adopted.

The question was taken on the adoption of the second portion of the amendment.

The roll was called, and there were yeas 21 and nays 33, as follows:

Those who voted in the affirmative were:

Bernhagen	Gunderson	Ogdahl	Schmitz	Ueland, A.
Borden	Jensen	Penny	Sieloff	
Engler	Keefe, J.	Pillsbury	Staples	
Frederick	Knaak	Purfeerst	Stokowski	
Gearty	Laufenburger	Renneke	Strand	

Those who voted in the negative were:

Anderson	Dunn	Lessard	Olson	Stumpf
Ashbach	Hanson	Luther	Perpich	Ulland, J.
Benedict	Hughes	McCutcheon	Schaaf	Vega
Chenoweth	Johnson	Moe	Setzepfandt	Wegener
Coleman	Keefe, S.	Nelson	Sillers	Willet
Davies	Kleinbaum	Nichols	Solon	
Dieterich	Knoll	Olhoff	Spear	

The motion did not prevail. So the second portion of amendment was not adopted.

CALL OF THE SENATE

Mr. Stokowski imposed a call of the Senate. The following Senators answered to their names:

Ashbach	Frederick	Knaak	Olhoff	Spear
Bang	Gearty	Knoll	Olson	Staples
Benedict	Gunderson	Laufenburger	Penny	Stokowski
Bernhagen	Hanson	Lessard	Perpich	Strand
Borden	Hughes	Luther	Pillsbury	Stumpf
Chmielewski	Humphrey	McCutcheon	Renneke	Ueland, A.
Coleman	Jensen	Menning	Schaaf	Ulland, J.
Davies	Johnson	Moe	Schmitz	Vega
Dieterich	Keefe, J.	Nelson	Sieloff	Wegener
Dunn	Keefe, S.	Nichols	Sillers	Willet
Engler	Kleinbaum	Ogdahl	Solon	

The Sergeant at Arms was instructed to bring in the absent members.

Mr. Stokowski moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 15, line 19, strike "six" and insert "nine"

Page 15, line 21, strike "eight" and insert "eleven"

Page 15, line 22, strike "twelve" and insert "thirteen"

Page 15, line 23, strike "fourteen" and insert "sixteen"

Mr. Hanson moved to amend the Stokowski amendment to H. F. No. 1191, the unofficial engrossment, as follows:

In the first line of the Stokowski amendment, strike "nine" and insert "eight"

In the second line of the Stokowski amendment, strike "eleven" and insert "ten"

The question was taken on the adoption of the Hanson amendment to the Stokowski amendment.

The roll was called, and there were yeas 32 and nays 21, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	McCutcheon	Schmitz	Ulland, J.
Ashbach	Gunderson	Moe	Setzepfandt	Stumpf
Benedict	Hanson	Nichols	Sillers	Wegener
Chmielewski	Hughes	Olhoft	Solon	Willet
Coleman	Humphrey	Olson	Spear	
Davies	Kleinbaum	Penny	Staples	
Dieterich	Luther	Schaaf	Strand	

Those who voted in the negative were:

Bang	Frederick	Knaak	Perpich	Ueland, A.
Bernhagen	Gearty	Knoll	Pillsbury	
Borden	Johnson	Menning	Renneke	
Chenoweth	Keefe, J.	Nelson	Sieloff	
Engler	Keefe, S.	Ogdahl	Stokowski	

The motion prevailed. So the Hanson amendment to the Stokowski amendment was adopted.

The question was taken on the adoption of the Stokowski amendment, as amended.

The motion prevailed. So the Stokowski amendment, as amended, was adopted.

Mr. McCutcheon moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Page 11, after line 13, insert:

"Subd. 8. When an authority proposes to make use of tax increment financing, the project shall be subject to the approval of the board of commissioners of the county and the school board of the school district in which the project is proposed to be located. The procedures provided in subdivision 5 shall apply to the submission of the proposal to the county board and the school board."

Mr. Keefe, J. moved to amend the McCutcheon amendment to H. F. No. 1191, the unofficial engrossment, as follows:

Line 4 of the McCutcheon amendment, strike "board of commissioners of the county and the"

Line 7, strike "the county board and"

The motion did not prevail. So the amendment to the McCutcheon amendment was not adopted.

Mr. Dieterich moved to amend the McCutcheon amendment to H. F. No. 1191, the unofficial engrossment, as follows:

Line 3 of the McCutcheon amendment, after "financing" insert "for an economic development project"

Lines 4 and 5, strike "and the school board of the school district"

Line 7, strike "and the school board"

The motion did not prevail. So the amendment to the McCutcheon amendment was not adopted.

The question was taken on the adoption of the McCutcheon amendment.

The roll was called, and there were yeas 8 and nays 49, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Perpich	Spear	Vega
Davies	McCutcheon	Schaaf		

Those who voted in the negative were:

Ashbach	Frederick	Knoll	Olhoff	Solon
Bang	Gearty	Knutson	Olson	Staples
Benedict	Gunderson	Laufenburger	Penny	Stokowski
Bernhagen	Hanson	Lessard	Pillsbury	Strand
Borden	Humphrey	Luther	Purfeerst	Stumpf
Chenoweth	Jensen	Menning	Renneke	Ueland, A.
Chmielewski	Johnson	Moe	Schmitz	Ulland, J.
Coleman	Keefe, J.	Nelson	Setzepfandt	Wegener
Dunn	Keefe, S.	Nichols	Sieloff	Willet
Engler	Knaak	Ogdahl	Sillers	

The motion did not prevail. So the amendment was not adopted.

Mr. Ogdahl moved to amend H. F. No. 1191, the unofficial engrossment, as follows:

Pages 34 and 35, strike section 26

Renumber the sections in sequence

Amend the title as follows:

Line 6, strike "to exercise right of eminent domain"

Line 7, strike "to acquire land for redevelopment and"

Line 9, strike "Chapters" and insert "Chapter"

Line 10, strike "and 465, by adding a section;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 16 and nays 34, as follows:

Those who voted in the affirmative were:

Ashbach	Knaak	Ogdahl	Renneke	Strand
Dunn	Knutson	Perpich	Sieloff	Ueland, A.
Engler	Lessard	Pillsbury	Staples	Ulland, J.
Frederick				

Those who voted in the negative were:

Bang	Gearty	Knoll	Olson	Spear
Benedict	Gunderson	Laufenburger	Penny	Stokowski
Bernhagen	Hanson	Luther	Purfeerst	Stumpf
Chenoweth	Jensen	Moe	Schaaf	Vega
Chmielewski	Johnson	Nelson	Schmitz	Wegener
Davies	Keefe, J.	Nichols	Setzepfandt	Willet
Dieterich	Keefe, S.	Olhoff	Sillers	

The motion did not prevail. So the amendment was not adopted.

H. F. No. 1191 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 56 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Knutson	Penny	Staples
Ashbach	Gunderson	Laufenburger	Perpich	Stokowski
Bang	Hanson	Lessard	Purfeerst	Strand
Benedict	Hughes	Lewis	Renneke	Stumpf
Borden	Humphrey	Luther	Schaaf	Ulland, J.
Chenoweth	Jensen	Menning	Schmitz	Vega
Chmielewski	Johnson	Moe	Setzepfandt	Wegener
Davies	Keefe, J.	Nelson	Sieloff	Willet
Dieterich	Keefe, S.	Nichols	Sikorski	
Dunn	Kleinbaum	Ogdahl	Sillers	
Engler	Knaak	Olhoff	Solon	
Frederick	Knoll	Olson	Spear	

Messrs. Bernhagen, Pillsbury and Ueland, A. voted in the negative.

So the bill, as amended, passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman, for the Committee on Rules and Administration, offered the following resolution:

BE IT RESOLVED, by the Senate, that the following named persons be and are hereby appointed to the positions hereinafter stated and at the salaries heretofore fixed.

Paul Borden, Page classification, effective February 24, 1978

Dr. Joseph Simonson, Chaplain, effective March 6, 1978

Rev. Herb Hayek, Chaplain, effective March 9, 1978

Rev. Richard Nelson, Chaplain, effective March 13, 1978

Rev. Richard Bolling, Chaplain, effective March 16, 1978

Rev. Rod Slessor, Chaplain, effective March 4, 1978

Mr. Coleman moved that the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. Luther moved that S. F. No. 1 be taken from the table. The motion prevailed.

Mr. Luther moved that S. F. No. 1 be placed at the top of General Orders. The motion prevailed.

RECESS

Mr. Coleman moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Ashbach	Gearty	Lessard	Olhoff	Staples
Bernhagen	Hughes	McCutcheon	Penny	Stokowski
Borden	Humphrey	Menning	Perpich	Strand
Coleman	Jensen	Moe	Pillsbury	Stumpf
Dieterich	Keefe, S.	Nelson	Purfeerst	Ueland, A.
Dunn	Kleinbaum	Nichols	Schmitz	Ulland, J.
Engler	Laufenburger	Ogdahl	Spear	Willet

The Sergeant at Arms was instructed to bring in the absent members.

THIRD READING OF SENATE BILLS

S. F. No. 1754: A bill for an act relating to highway traffic regulations; authorized emergency vehicles; approval of specifications and equipment test fees for lighting and vehicle safety equipment; warning devices on certain vehicles; and vehicle modification standards; amending Minnesota Statutes 1976, Sections 169.01, Subdivision 5; 169.468, Subdivision 2; 169.65; and 169.75; Minnesota Statutes, 1977 Supplement, Section 169.305, Subdivision 1; repealing Minnesota Statutes 1976, Section 169.47, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hanson	Lessard	Penny	Strand
Bernhagen	Hughes	McCutcheon	Perpich	Stumpf
Borden	Humphrey	Menning	Pillsbury	Ueland, A.
Chenoweth	Jensen	Moe	Purfeerst	Ulland, J.
Coleman	Johnson	Nelson	Schaaf	Willet
Dieterich	Keefe, S.	Nichols	Schmitz	
Dunn	Kleinbaum	Ogdahl	Spear	
Gearty	Knoll	Olhoff	Staples	
Gunderson	Laufenburger	Olson	Stokowski	

So the bill passed and its title was agreed to.

S. F. No. 1693: A bill for an act relating to the national guard; increasing the pay for enlisted persons on active duty; amending Minnesota Statutes 1976, Section 192.51.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kleinbaum	Nichols	Setzepfandt
Bang	Gearty	Knaak	Ogdahl	Sikorski
Bernhagen	Gunderson	Knoll	Olhoft	Spear
Borden	Hanson	Laufenburger	Olson	Staples
Chenoweth	Hughes	Lessard	Penny	Stokowski
Chmielewski	Humphrey	Luther	Perpich	Strand
Coleman	Jensen	McCutcheon	Pillsbury	Stumpf
Davies	Johnson	Menning	Purfeerst	Ueland, A.
Dieterich	Keefe, J.	Moe	Renneke	Ulland, J.
Dunn	Keefe, S.	Nelson	Schmitz	Willet

So the bill passed and its title was agreed to.

THIRD READING OF HOUSE BILLS

H. F. No. 1930: A resolution urging the President, Congress and Secretary of Transportation to provide necessary grants and loans to the Milwaukee Road.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 37 and nays 14, as follows:

Those who voted in the affirmative were:

Bang	Hanson	Laufenburger	Olson	Strand
Bernhagen	Hughes	Lessard	Penny	Ueland, A.
Borden	Humphrey	Lewis	Purfeerst	Ulland, J.
Chmielewski	Jensen	Menning	Schmitz	Wegener
Coleman	Johnson	Moe	Setzepfandt	Willet
Engler	Keefe, J.	Nelson	Sieloff	
Gearty	Kleinbaum	Nichols	Sikorski	
Gunderson	Knaak	Olhoft	Solon	

Those who voted in the negative were:

Benedict	Luther	Perpich	Spear	Stumpf
Chenoweth	McCutcheon	Pillsbury	Staples	Vega
Keefe, S.	Ogdahl	Sillers	Stokowski	

So the bill passed and its title was agreed to.

CONSENT CALENDAR

S. F. No. 2234: A bill for an act relating to Ramsey county; changing the day of county board meetings; amending Laws 1974, Chapter 435, Section 2.05, as amended.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knaak	Ogdahl	Sillers
Bang	Gearty	Knoll	Olhoft	Spear
Benedict	Gunderson	Laufenburger	Olson	Staples
Bernhagen	Hanson	Lessard	Penny	Stokowski
Borden	Hughes	Lewis	Perpich	Strand
Chenoweth	Humphrey	Luther	Pillsbury	Stumpf
Chmielewski	Jensen	McCutcheon	Purfeerst	Ueland, A.
Coleman	Johnson	Menning	Schmitz	Ulland, J.
Davies	Keefe, J.	Moe	Setzepfandt	Vega
Dieterich	Keefe, S.	Nelson	Sieloff	Wegener
Dunn	Kleinbaum	Nichols	Sikorski	Willet

So the bill passed and its title was agreed to.

S. F. No. 2264: A bill for an act relating to statutory cities; providing for uniformity in bidding requirements for local government contracts; amending Minnesota Statutes 1976, Section 412.311.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Knoll	Olhoft	Spear
Bang	Gunderson	Laufenburger	Olson	Staples
Benedict	Hanson	Lessard	Penny	Stokowski
Bernhagen	Hughes	Lewis	Perpich	Strand
Borden	Humphrey	Luther	Pillsbury	Stumpf
Chenoweth	Jensen	McCutcheon	Purfeerst	Ueland, A.
Chmielewski	Johnson	Menning	Schmitz	Ulland, J.
Coleman	Keefe, J.	Moe	Setzepfandt	Vega
Davies	Keefe, S.	Nelson	Sieloff	Wegener
Dunn	Kleinbaum	Nichols	Sikorski	Willet
Engler	Knaak	Ogdahl	Sillers	

So the bill passed and its title was agreed to.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 318, 1752, 1891, 1704, 1495, 1830, 1690, and H. F. Nos. 1323, 1857, which the committee recommends to pass.

S. F. No. 1206, which the committee recommends to pass with the following amendment offered by Mr. Ashbach:

Page 2, line 9, after "insurance" insert "*by the insurer,*"

Page 2, line 12, reinstate the stricken language

Page 2, line 13, reinstate the stricken language and strike the new language

Page 2, strike lines 14 and 15

Page 2, line 16, strike "coverage" and "is in"

Page 2, line 17, strike "effect"

S. F. No. 1720, which the committee recommends to pass with the following amendments offered by Mr. Olson:

Mr. Olson moved to amend S. F. No. 1720 as follows:

Page 1, line 11, strike "more than" and insert "*between sunset and*"

Page 1, line 12, strike "the open season for waterfowl" and insert "*sunrise*"

Page 1, line 12, strike "Except as"

Page 1, line 13, strike "*otherwise provided in this subdivision,*"

Page 1, line 17, strike "decoys, or"

Page 1, line 17, after "boat" strike the comma

Mr. Olson then moved to amend S. F. No. 1720 as follows:

Page 1, line 20, strike "7" and insert "12"

S. F. No. 1630 which the committee recommends to pass, subject to the following motions:

Mr. Jensen moved to amend S. F. No. 1630 as follows:

Page 2, line 15, after the period insert "*Before any individual may prove his residence and register to vote pursuant to this clause, that individual shall either display his driver's license or Minnesota identification card to the judge in charge of registration or shall sign an oath that he is not licensed to drive and does not hold a Minnesota identification card. If the individual displays a driver's license or identification card with an address outside of the precinct, the judge shall record that address on a form prescribed by the secretary of state.*"

Page 2, line 16, strike "oath" and insert "oaths"

Page 2, line 21, after the period insert "*When an individual proves his residence under clause (3), his oath or the form on which a judge has recorded the address from his driver's license or identification card shall be attached to his registration card.*"

Page 3, line 1, after "Minnesota" insert "*or a form indicating that a voter displayed a driver's license or identification card with an address in a different county in Minnesota from that in which he registered to vote,*"

Page 3, line 7, before "or" insert "*a form indicating that a voter displayed a driver's license or identification card with an address in a different precinct in the same county in which he registered to vote*"

Page 3, line 7, strike *"that a voter has registered in"* and insert *"form from the auditor of"*

Page 3, line 8, after *"county"* insert *", as provided in this subdivision,*

Page 30, line 31, before the period, insert *"and of the address form, oath and notification form required under sections 1 and 2 of this act"*

The motion prevailed. So the amendment was adopted.

Mr. Ueland, A. moved to amend S. F. No. 1630 as follows:

Page 2, line 15, after the period, insert *"No individual shall sign oaths on behalf of more than ten persons applying to register on any one election day."*

Page 6, line 4, after *"cards,"* insert *"or who signs oaths on behalf of more than ten persons applying to register on any one election day,"*

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 15 and nays 26, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knaak	Pillsbury	Sillers
Bernhagen	Jensen	Knoll	Renneke	Ueland, A.
Dunn	Keefe, J.	Menning	Sieloff	Ulland, J.

Those who voted in the negative were:

Anderson	Hanson	Laufenburger	Schaaf	Wegener
Chmielewski	Hughes	Luther	Setzepfandt	Willet
Davies	Humphrey	McCutcheon	Sikorski	
Dieterich	Johnson	Nelson	Stokowski	
Gearty	Keefe, S.	Penny	Strand	
Gunderson	Kleinbaum	Purfeerst	Stumpf	

The motion did not prevail. So the amendment was not adopted.

Mr. Jenson moved to amend S. F. No. 1630 as follows:

Page 10, line 10, strike *"Each"*

Page 10, strike lines 11 to 15

Page 10, line 16, strike *"not"* and insert *"At least two election judges in each precinct shall have"*

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 17 and nays 26, as follows:

Those who voted in the affirmative were:

Ashbach	Jensen	Menning	Setzepfandt	Ueland, A.
Bernhagen	Keefe, J.	Pillsbury	Sieloff	Ulland, J.
Dunn	Knaak	Renneke	Sillers	Willet
Engler	Knoll			

Those who voted in the negative were:

Benedict	Hanson	Laufenburger	Schaaf	Stumpf
Borden	Hughes	Lessard	Sikorski	Vega
Davies	Humphrey	Luther	Spear	
Dieterich	Johnson	McCutcheon	Staples	
Gearty	Keefe, S.	Nelson	Stokowski	
Gunderson	Kleinbaum	Penny	Strand	

The motion did not prevail. So the amendment was not adopted.

S. F. No. 1621 which the committee reports progress, subject to the following motion:

Mr. Anderson moved to amend S. F. No. 1621 as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1976, Section 272.02, Subdivision 1, is amended to read:

272.02 [EXEMPT PROPERTY.] Subdivision 1. Except as provided in other subdivisions of this section or in section 272.025, all property described in this section to the extent herein limited shall be exempt from taxation:

- (1) All public burying grounds;
- (2) All public schoolhouses;
- (3) All public hospitals;
- (4) All academies, colleges, and universities, and all seminaries of learning;
- (5) All churches, church property, and houses of worship;
- (6) Institutions of purely public charity;
- (7) All public property exclusively used for any public purpose;
- (8) All natural cheese held in storage for aging by the original Minnesota manufacturer;

(9) (a) Class 2 property of every household of the value of \$100, maintained in the principal place of residence of the owner thereof. The county auditor shall deduct such exemption from the total valuation of such property as equalized by the revenue commissioner assessed to such household, and extend the levy of taxes upon the remainder only. The term "household" as used in this section is defined to be a domestic establishment maintained either (1) by two or more persons living together within the same house or place of abode, subsisting in common and constituting a domestic or family relationship, or (2) by one person.

(b) During the period of his active service and for six months after his discharge therefrom, no member of the armed forces of the United States shall lose status of a householder under paragraph (a) which he had immediately prior to becoming a member of the armed forces.

In case there is an assessment against more than one member of a household the \$100 exemption shall be divided among the members assessed in the proportion that the assessed value of the Class 2 property of each bears to the total assessed value of the Class 2 property of all the members assessed. The Class 2 property of each household claimed to be exempt shall be limited to property in one taxing district, except in those cases where a single domestic establishment is maintained in two or more adjoining districts.

Bonds and certificates of indebtedness hereafter issued by the state of Minnesota, or by any county or city of the state, or any town, or any common or independent school district of the state, or any governmental board of the state, or any county or city thereof, shall hereafter be exempt from taxation; provided, that nothing herein contained shall be construed as exempting such bonds from the payment of a tax thereon, as provided for by section 291.01, when any of such bonds constitute, in whole or in part, any inheritance or bequest, taken or received by any person or corporation.

(10) Farm machinery manufactured prior to 1930, which is used only for display purposes as a collectors item;

(11) The taxpayer shall be exempted with respect to, all agricultural products, inventories, stocks of merchandise of all sorts, all materials, parts and supplies, furniture and equipment, manufacturers material, manufactured articles including the inventories of manufacturers, wholesalers, retailers and contractors; and the furnishings of a room or apartment in a hotel, rooming house, tourist court, motel or trailer camp, tools and machinery which by law are considered as personal property, and the property described in section 272.03, subdivision 1 (c), except personal property which is part of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings and structures.

(12) Containers of a kind customarily in the possession of the consumer during the consumption of commodities, the sale of which are subject to tax under the provisions of the excise tax imposed by Extra Session Laws 1967, Chapter 32;

(13) All livestock, poultry, all horses, mules and other animals used exclusively for agricultural purposes;

(14) All agricultural tools, implements and machinery used by the owners in any agricultural pursuit.

(15) Real and personal property used primarily for the abatement and control of air, water, or land pollution to the extent that it is so used.

Any taxpayer requesting exemption of all or a portion of any equipment or device, or part thereof, operated primarily for the control or abatement of air or water pollution shall file an appli-

cation with the commissioner of revenue. Any such equipment or device shall meet *the standards, regulations, rules or criteria* prescribed by the Minnesota Pollution Control Agency, and must be installed or operated in accordance with a permit or order issued by that agency. The Minnesota Pollution Control Agency shall upon request of the commissioner furnish information or advice to the commissioner. If the commissioner determines that property qualifies for exemption, he shall issue an order exempting such property from taxation. Any such equipment or device shall continue to be exempt from taxation as long as the permit issued by the Minnesota Pollution Control Agency remains in effect.

(16) The part of the value of real and personal property equipped with an energy supply or use system which includes a solar energy system as defined in section 116H.02, subdivision 11, that exceeds the value of the property if it were equipped with a conventional energy supply or use system, if the property is not used to provide energy for sale."

Renumber the sections accordingly

Page 2, after line 19, insert:

"Sec. 3. This act shall be effective for assessments made for taxes levied in 1978 and payable in 1979."

Further, amend the title as follows:

Page 1, line 2, after the semicolon insert "exempting certain solar energy systems from property taxation;"

Page 1, line 4, strike "Section" and insert "Sections 272.02. Subdivision 1; and"

The motion prevailed. So the amendment was adopted.

S. F. No. 1621 was then progressed.

S. F. No. 1137 which the committee recommends to pass, subject to the following motions:

Mr. Coleman moved to amend S. F. No. 1137 as follows:

Page 2, after line 5, insert:

"Sec. 2. Minnesota Statutes 1976, Section 148.01, is amended by adding a subdivision to read:

Subd. 4. A chiropractor shall in writing, before performing a diagnostic blood test, inform the patient that complete and current information on the results of the test will be given to the patient upon his request. The chiropractor shall also inform the patient in writing that if he so requests the results of the blood test will be forwarded to the medical doctor of the patient's choice. The total number of blood tests performed by a chiropractor in one year shall not exceed 20 percent of the total number of patient visits. Blood samples drawn by a chiropractor shall be tested by a laboratory certified for medicare or by the center for disease control."

Amend the title as follows:

Line 4, before the period, insert ", and by adding a subdivision"

The motion prevailed. So the amendment was adopted.

The question was taken on the recommendation to pass S. F. No. 1137.

The roll was called, and there were yeas 36 and nays 18, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Purfeerst	Stumpf
Benedict	Gearty	Lessard	Renneke	Vega
Bernhagen	Gunderson	Luther	Schaaf	Wegener
Borden	Hanson	Moe	Sikorski	Willet
Chenoweth	Humphrey	Nelson	Sillers	
Chmielewski	Johnson	Nichols	Solon	
Coleman	Keefe, S.	Olhoft	Stokowski	
Dieterich	Kleinbaum	Pillsbury	Strand	

Those who voted in the negative were:

Ashbach	Hughes	Olson	Setzepfandt	Ueland, A.
Bang	Knaak	Penny	Sieloff	Ulland, J.
Davies	Lewis	Perpich	Spear	
Dunn	Ogdahl	Schmitz	Staples	

The motion prevailed. So S. F. No. 1137 was recommended to pass.

S. F. No. 1664, which the committee recommends to pass with the following amendment offered by Mr. Olhoft:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1976, Section 105.391, Subdivision 1, is amended to read:

105.391 [PUBLIC WATERS INVENTORY AND CLASSIFICATION.] Subdivision 1. On the basis of all information available to him, the commissioner shall inventory the waterbasins of each county and make a preliminary designation as to which constitute public waters. The commissioner shall send his preliminary designation for each county to the county board of that county for its review and comment. *The designation of waters as "public waters" pursuant to this section shall not grant any additional or greater right of access to the public to those waters, nor is the commissioner required to acquire access to those waters under section 97.48, subdivision 15, nor is any right of ownership or usage of the beds underlying those waters diminished.*"

Renumber the sections in sequence

Amend the title as follows:

Line 2, strike "state" and insert "public"

Line 2, after the semicolon insert "clarifying certain provisions concerning public waters;"

Line 5, after "Statutes" strike the comma and insert "1976, Section 105.391, Subdivision 1; and Minnesota Statutes,"

H. F. No. 1103, which the committee recommends to pass with the following amendments offered by Messrs. Davies and Sikorski:

Mr. Davies moved to amend H. F. No. 1103, as amended pursuant to Rule 49, adopted by the Senate February 27, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 762.)

Page 3, after line 5, insert

"Subd. 3. [DUTIES OF CONTRACTING AGENCY.] Before an agency may seek approval of a consultant or professional and technical services contract valued in excess of \$2,000, it shall certify to the commissioner that:

(1) no state employee is competent to perform the services called for by the contract;

(2) the normal competitive bidding mechanisms will not provide for adequate performance of the services;

(3) the services are not available as a product of a prior consultant or professional and technical services contract, and the contractor has certified that the product of his services will be original in character;

(4) reasonable efforts were made to publicize the availability of the contract;

(5) the agency has received, reviewed and accepted a detailed work plan from the contractor for performance under the contract; and

(6) the agency has developed, and fully intends to implement, a written plan providing for (a) the assignment of specific agency personnel to a monitoring and liaison function, (b) the periodic review of interim reports or other indicia of part performance and (c) the ultimate utilization of the final product of the services."

Page 3, after line 10, insert

"(1) all provisions of subdivisions 2 and 3 have been verified or complied with;"

Page 3, strike lines 15, 16, 20, 21 and 27 to 29

Renumber the remaining clauses in sequence

Page 3, after line 32, insert:

"Subd. 5. [CONTRACT TERMS.] A consultant or technical and professional services contract shall by its terms permit the agency to unilaterally terminate the contract prior to completion, upon payment of just compensation, if the agency determines that further performance under the contract would not serve agency purposes. If the final product of the contract is to be a report, no more than three copies of the report, one in camera ready form, shall be submitted to the agency. One of the copies shall be filed

with the legislative reference library. The form of the report shall be as the commissioner may by rule or order provide."

Page 4, line 6, after the period insert "After completion of performance under a consultant or professional and technical services contract, the agency shall evaluate the performance under the contract and the utility of the final product. This evaluation shall be delivered to the commissioner who shall retain all such evaluations for future reference."

Page 4, after line 29, insert:

"Subd. 10. [AUTHORITY OF ATTORNEY GENERAL.] The attorney general may sue to avoid the obligation of an agency to pay under a contract or to recover payments made, if services performed under the contract are so unsatisfactory, or incomplete, or so inconsistent with the price that payment would involve unjust enrichment. The contrary opinion of the contracting agency does not affect the power of the attorney general under this section."

Renumber the subdivisions in sequence

The motion prevailed. So the amendment was adopted.

Mr. Sikorski moved to amend H. F. No. 1103, as amended pursuant to Rule 49, adopted by the Senate February 27, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 762.)

Page 2, line 14, after "character" insert a semicolon

Page 4, lines 24 to 25, strike "for encumbrance or recordation purposes" and insert "that the appropriation and allotment have been encumbered for the full amount of the contract liability"

The motion prevailed. So the amendment was adopted.

H. F. No. 1728, which the committee recommends to pass with the following amendment offered by Mr. Gunderson:

Page 1, line 11, after "architect," insert "civil structural"

S. F. No. 1943, which the committee recommends to pass with the following amendments offered by Mr. Luther:

Mr. Luther moved to amend S. F. No. 1943 as follows:

Page 1, line 16, strike "an adequate" and insert "a"

Mr. Luther then moved to amend S. F. No. 1943 as follows:

Page 3, line 25, strike "cooking or warming"

On motion of Mr. Coleman, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

Without objection, the Senate reverted to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Stumpf, Mrs. Staples, Messrs. Dieterich and Spear introduced—

S. F. No. 2386: A bill for an act relating to educational programs; athletics and other extracurricular activities; permitting limited separation on the basis of sex in athletic programs operated by educational institutions or public services; establishing a state board of high school interscholastic athletics and extracurricular activities; prescribing its powers and duties; appropriating money; amending Minnesota Statutes 1976, Chapters 121, by adding a section; 129, by adding sections; and 363, by adding sections; repealing Minnesota Statutes 1976, Sections 126.21 and 129.121.

Referred to the Committee on Education.

Messrs. Luther; Keefe, S.; Humphrey, Benedict and Mrs. Staples introduced—

S. F. No. 2387: A bill for an act relating to elections; providing for comprehensive reporting of campaign financing for election of county attorney for Hennepin county; amending Minnesota Statutes 1976, Sections 10A.01, Subdivision 5, as amended; 10A.09, Subdivision 1; 10A.14, Subdivision 1, as amended; and 10A.20, Subdivision 2, as amended.

Referred to the Committee on Elections.

Messrs. Johnson and McCutcheon introduced—

S. F. No. 2388: A bill for an act relating to retirement; service requirement for elected public officials in public employees retirement association; amending Minnesota Statutes 1976, Section 353.29, Subdivision 1.

Referred to the Committee on Governmental Operations.

Without objection, the Senate reverted to the Order of Business of Reports of Committees and Second Reading of Senate Bills.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 2205: A bill for an act relating to highways; changing the procedure for designation of highways to carry 80,000 pounds gross weight; amending Minnesota Statutes, 1977 Supplement, Section 169.832, Subdivision 11; repealing Minnesota Statutes, 1977 Supplement, Section 169.832, Subdivision 12.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, after "commissioner" insert ", by order,"

Page 2, line 10, after "commissioner" insert ", by order,"

Page 2, line 14, strike "Any route"

Page 2, strike line 15

Page 2, line 16, strike "proposed"

Page 2, line 17, before the period insert "*Every order of the commissioner designating or undesignating a route shall be published in the state register as soon as practicable after it is issued*"

Page 2, line 17, restore the stricken words "The commissioner shall"

Page 2, line 18, after the stricken word "of" insert "*designate or undesignate*" and restore the stricken words "any route when requested by any local"

Page 2, line 19, restore the stricken words "authority having jurisdiction over the route."

Page 2, after line 22, insert: "*The commissioner shall adopt rules setting forth the policies, criteria and procedures for designating and undesignating routes pursuant to this section. The procedures shall include provisions for public notice and participation.*"

Sec. 2. [CONTINUATION OF EMERGENCY DESIGNATIONS.] *Notwithstanding the provisions of any other law, the routes designated by rules of the commissioner of transportation under temporary rulemaking authority granted by Laws 1977, Chapter 248, or Minnesota Statutes, 1977 Supplement, Section 169.832, Subdivision 12, shall remain designated until undesignated by the commissioner pursuant to this act.*"

Page 2, line 23, before "Minnesota" insert "*Effective upon the adoption of permanent rules pursuant to section 1 of this act,*"

Renumber the remaining sections

Amend the title as follows:

Page 1, line 4, after "weight;" insert "continuing all routes designated under former procedures;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 2216: A bill for an act relating to highway traffic regulations; permitting peace officers to make arrests upon probable cause in cases of drivers passing stopped school buses; providing criminal liability for an owner of a vehicle used to pass a stopped school bus although he was not the driver at the time of the viola-

tion; providing penalties; amending Minnesota Statutes 1976, Section 169.44, Subdivision 1, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 17, strike the remainder of the bill and insert:

"Subd. 1a. [ISSUANCE OF SUMMONS TO DRIVER PASSING STOPPED SCHOOL BUS; LIABILITY OF VEHICLE OWNER.] (a) *A peace officer may issue a citation pursuant to Minnesota Statutes 169.99 to a driver of a vehicle if the peace officer has probable cause to believe that the driver has used the vehicle in violation of subdivision 1. Probable cause under this subdivision may be established by circumstantial considerations including physical evidence or a radio or other oral communication to the peace officer from the driver or other operator of a school bus or other peace officer.*

(b) *When a vehicle is used in violation of subdivision 1, the registration plates and registration certificate of such vehicle shall be surrendered to the court by order of the court for not less than two nor more than 30 days which period of time may or may not be consecutive in the discretion of the court. The revocation shall be by order of the court following written notice to the owner and an opportunity for a hearing before a municipal or county court judge. The registration plates and certificates shall be revoked unless the owner of the motor vehicle demonstrates by a preponderance of the evidence that such vehicle was neither in his custody or control at the time of the violation nor in the custody or control of any person to whom the owner had delegated control and custody.*

The provisions of this clause shall not be applicable when a person has admitted under oath or has given the name of the driver or has been convicted of committing the violation set forth in subdivision 1.

Sec. 3. Minnesota Statutes 1976, Section 169.09, Subdivision 1, is amended to read:

169.09 [ACCIDENTS.] Subdivision 1. [DRIVER TO STOP.] The driver of any vehicle involved in an accident resulting in injury to or death of any person shall immediately stop the vehicle at the scene of the accident, or as close thereto as possible, but shall then return to and in every event, shall remain at, the scene of the accident until he has fulfilled the requirements of this chapter as to the giving of information. The stop shall be made without unnecessarily obstructing traffic. Any driver who violates the provision of this subdivision by failing to stop at the scene of the accident shall be sentenced in accordance with the provisions of section 4.

Sec. 4. Minnesota Statutes 1976, Chapter 609, is amended by adding a section to read:

[609.211] [HIT AND RUN RESULTING IN INJURY OR DEATH.] *When the driver of any vehicle, as defined in section*

169.01, subdivision 2, fails to stop at the scene of an accident as required under section 169.09, subdivision 1, after he is involved in an accident and by operation of his vehicle causes injury to or death of any person not constituting murder, manslaughter or criminal negligence in the operation of a vehicle he is guilty of hit and run in the operation of a vehicle and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$1,000 or both."

Strike the title in its entirety and insert:

"A bill for an act relating to highway traffic regulations and crimes; prohibiting passing a school bus when it is stopped and is displaying stop arm signals; providing civil remedies; specifying the acts constituting the offense of hit and run; prescribing penalties; amending Minnesota Statutes 1976, Sections 169.09, Subdivision 1; 169.44, Subdivision 1 and by adding a subdivision; and Chapter 609, by adding a section."

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2186: A bill for an act relating to hospitals; providing for payment of election judges; providing hospital board members with travel and other expenses incurred in the performance of their duties; authorizing hospital boards to set compensation for board members; amending Minnesota Statutes 1976, Section 447.32, Subdivision 4, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 1, strike "*shall*" and insert "*may*"

Page 3, line 4, before the period, insert "*, except for mileage which shall be compensated as provided in section 43.328, subdivision 1*"

Page 3, after line 11, insert:

"Sec. 3. [EFFECTIVE DATE.] This act shall take effect the day following its final enactment."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 2256: A bill for an act relating to Dakota county; providing that the county commissioners may fix an amount for each commissioner's expenses; amending Laws 1961, Chapter 249, Section 2, as amended.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, strike "amended to" and insert "repealed."

Page 1, line 10, strike "read:"

Page 1, delete lines 11 to 15

Page 1, lines 16 to 18, delete the underscoring

Amend the title as follows:

Page 1, line 2, strike "providing that the" and insert "eliminating special provisions relating to"

Page 1, line 3, strike "commissioners may fix an amount for each"

Page 1, line 4, strike "amending" and insert "repealing"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 2179: A bill for an act relating to Independent School District No. 256 (Red Wing); appropriating money.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

S. F. No. 1852: A bill for an act relating to appropriations; appropriating funds for the replacement of King's Mill Dam.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2206: A bill for an act relating to community corrections; amending Minnesota Statutes, 1977 Supplement, Section 401.13.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2189: A bill for an act relating to health and welfare; Title XX funds for social services; establishing a formula for allocating Title XX funds to counties.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete lines 17 to 22 and insert:

"(a) Fifty percent shall be allocated on the basis of the average number of persons in each county who are recipients of one of the following: aid to families with dependent children, medical assistance, supplementary security income or non-public assistance food stamps;

(b) Fifty percent shall be allocated on the basis of the number of persons residing in the county in calendar year 1975 as determined by the state demographer."

Page 2, delete lines 1 to 11

Page 2, line 12, delete "The Title XX funds allocated to the counties shall"

Page 2, line 13, delete "be multiplied by the ratio for each county."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 2007: A bill for an act relating to public health; establishing a preventive dental health program for certain children; appropriating money; amending Minnesota Statutes 1976, Chapter 144, by adding a section.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the Committee Report thereon,

S. F. No. 2079: A bill for an act relating to veterans; providing for appeals from removals and disciplinary actions; amending Minnesota Statutes 1976, Sections 43.24, Subdivision 1; and 197.481, Subdivision 1.

Reports the same back with the recommendation that the report from the Committee on General Legislation and Veterans Affairs shown in the Journal for February 23, 1978 that "the bill do pass" be adopted and the bill be re-referred to the Committee on Governmental Operations.

Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred for proper reference under Rule 35:

S. F. No. 2286 reports the same back with the recommendation that the bill be re-referred as follows:

S. F. No. 2286 to the Committee on Energy and Housing.

Report adopted.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1441, 2072, 2073, 2342, 1973, 1721 makes the following report:

That S. F. Nos. 1441, 2072, 2073, 2342, 1973 be placed on the General Orders Calendar in the order indicated.

That S. F. No. 1721 be referred to the Committee on Taxes and Tax Laws.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 2205, 2186 and 2256 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Chmielewski moved that the name of Mr. Lessard be added as co-author to S. F. No. 1623. The motion prevailed.

Mr. McCutcheon moved that H. F. No. 1918 be withdrawn from the Committee on Taxes and Tax Laws and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1581, now on General Orders. The motion prevailed.

Mr. Chmielewski moved that S. F. No. 1428, No. 42 on General Orders, be stricken and returned to author. The motion prevailed.

Mr. Vega moved that H. F. No. 2175 be withdrawn from the Committee on Commerce and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 2041. The motion prevailed.

Mr. Peterson moved that H. F. No. 2023 be withdrawn from the Committee on Governmental Operations and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1947. The motion prevailed.

Mr. Anderson moved that S. F. No. 1996 be withdrawn from the Committee on Energy and Housing and re-referred to the Committee on Governmental Operations. The motion prevailed.

Without objection, the Senate reverted to the Order of Business of Reports of Committees and Second Reading of Senate Bills.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1697: A bill for an act relating to obscenity; prohibit-

ing the promotion and dissemination of obscene materials; providing penalties; amending Minnesota Statutes 1976, Sections 617.26; 617.27; Chapter 609, by adding sections; and Minnesota Statutes, 1977 Supplement, Section 609.11, Subdivision 1; repealing Minnesota Statutes 1976, Sections 617.241; 617.291; 617.292; 617.293; 617.294; 617.295; 617.296; and 617.297.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 609, is amended by adding a section to read:

[609.691] [DEFINITIONS.] *Subdivision 1. For the purposes of sections 1 to 4, the terms defined in this section shall have the meanings given them.*

Subd. 2. "Work" means any material or performance.

Subd. 3. "Material" means anything tangible which is capable of being used or adapted to arouse interest, whether through the medium of reading, observation, sound or in any other manner.

Subd. 4. "Performance" means any play, motion picture, dance or other exhibition performed before an audience.

Subd. 5. "An obscene work" is a work which taken as a whole appeals to the prurient interest in sex, which portrays sexual conduct in a patently offensive way, and which, taken as a whole, does not have serious literary, artistic, political or scientific value. In determining whether or not a work is an obscene work the trier of the fact must find (a) that the average person, applying contemporary community standards would find that the work, taken as a whole appeals to the prurient interest in sex and (b) that the work depicts or describes, in a patently offensive way, sexual conduct specifically defined by section 1, subdivision 9 or conduct authoritatively construed by the courts of this state as being a patently offensive portrayal of sexual conduct and (c) that the work, taken as a whole, lacks serious literary, artistic, political or scientific value.

Subd. 6. "Community standards" means the standards of the community from which the jury is drawn or would be drawn if it were the trier of the fact.

Subd. 7. "Patently offensive" means so offensive on its face as to affront current standards of decency.

Subd. 8. "Standards of decency" means community standards of decency.

Subd. 9. "Sexual conduct" includes any of the following described sexual or excretory conduct:

(a) An act of sexual intercourse, normal or perverted, actual or simulated, including genital-genital, anal-genital, or oral-genital intercourse, whether between human beings or between a human being and an animal.

(b) *Sado-masochistic abuse, meaning flagellation or torture by or upon a person who is nude or clad in under garments or in a revealing costume or the condition of being fettered, bound or otherwise physically restrained on the part of one who is so clothed as an act of sexual stimulation or gratification.*

(c) *Masturbation, excretory function and lewd exhibitions of the genitals including any explicit, close up representation of a human genital organ.*

(d) *Physical contact or simulated physical contact with the clothed or unclothed pubic areas or buttocks of a human male or female, or the breasts of the female, whether alone or between members of the same or opposite sex or between humans and animals in an act of apparent sexual stimulation or gratification.*

(e) *Use of a device designed and marketed as useful primarily for stimulation of the human genital organs.*

(f) *Male or female genitals in a state of sexual stimulation or arousal.*

(g) *Covered male genitals in a discernably turgid state.*

Subd. 10. "Promote" means to manufacture, issue, sell, give, provide, lend, mail, deliver, transfer, transmute, publish, distribute, circulate, disseminate, present, exhibit or advertise, or to offer or agree to do the same.

Subd. 11. "Wholesale promote" means to manufacture, issue, sell, provide, mail, deliver, transfer, transmute, publish, distribute, circulate, disseminate or to offer or agree to do the same for purposes of resale.

Sec. 2. Minnesota Statutes 1976, Chapter 609, is amended by adding a section to read:

[609.692] [OBSCENITY IN THE FIRST DEGREE.] Subdivision 1. *A person is guilty of obscenity in the first degree when, knowing its content and character, he wholesale promotes, or possesses with intent to wholesale promote any obscene material.*

Subd. 2. (a) *A person convicted of a violation of subdivision 1 is guilty of a gross misdemeanor, and shall be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$1,000 or both.*

(b) *Any person convicted of a second or subsequent violation of subdivision 1 within a period of three years is guilty of a felony, and shall be sentenced to imprisonment for not less than one year nor more than five years or to payment of a fine of not less than \$1,000 nor more than \$10,000, or both.*

Sec. 3. Minnesota Statutes 1976, Chapter 609, is amended by adding a section to read:

[609.693] [OBSCENITY IN THE SECOND DEGREE.] Subdivision 1. *A person is guilty of obscenity in the second degree when, knowing its content and character, he:*

(a) Promotes for profit, or possesses with intent to promote for profit, any obscene material; or

(b) For profit produces, presents or directs an obscene performance or participates in a portion thereof which is obscene or which contributes to its obscenity.

Subd. 2. (a) A person convicted of a violation of subdivision 1 is guilty of a misdemeanor, and may be sentenced to imprisonment for not more than 90 days, or to payment of a fine of not more than \$500, or both.

(b) Any person convicted of a second or subsequent violation of subdivision 1 within a three year period is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$5,000, or both.

Sec. 4. Minnesota Statutes 1976, Chapter 609, is amended by adding a section to read:

[609.695] [SEVERABILITY PROVISION.] *If any depiction or description of sexual conduct described in section 1, subdivision 9 is declared by a court of competent jurisdiction to be unlawfully included therein because the depiction or description is constitutionally protected or for any other reason, the declaration shall not invalidate sections 2 to 4 as to patently offensive depictions or descriptions of other sexual conduct included in section 1, subdivision 9.*

Sec. 5. Minnesota Statutes 1976, Section 617.291, Subdivision 2, is amended to read:

Subd. 2. It is in the best interest of the health, welfare and safety of the citizens of this state, and especially of minors within the state, that commercial dissemination of such sexually provocative written, photographic, printed, sound or published materials deemed harmful to minors be restricted to persons over the age of 17 years ; or, if available to minors under the age of 18 years, that the availability of such materials be restricted to sources within established and recognized schools, churches, museums, medical clinics and physicians, hospitals, public libraries, or government sponsored organizations.

Sec. 6. Minnesota Statutes 1976, Section 617.292, Subdivision 4, is amended to read:

Subd. 4. "Sexual conduct" means acts of masturbation, homosexuality sodomy, sexual intercourse, or physical contact with a person's clothed or unclothed genitals, pubic area, buttocks or, if such a the person be a female, her breast.

Sec. 7. Minnesota Statutes 1976, Section 617.292, Subdivision 6, is amended to read:

Subd. 6. "Sadomasochistic abuse" means flagellation or torture by or upon a person who is nude, or clad in undergarments, a mask or bizarre costume, or the condition of being fettered, bound or

otherwise physically restrained on the part of one *who is so clothed as an act of sexual stimulation or gratification*.

Sec. 8. Minnesota Statutes 1976, Section 617.292, Subdivision 7, is amended to read:

Subd. 7. "Harmful to minors" means that quality of any description or representation, in whatever form, of nudity, sexual conduct, sexual excitement, or sadomasochistic abuse, when *taken as a whole* it:

(1) ~~predominantly~~ appeals to the prurient, ~~shameful or morbid~~ interest in sex of minors, and

(2) is patently offensive to prevailing standards in the adult community as a whole with respect to what is suitable material for minors, and

(3) ~~is utterly without redeeming social importance~~ lacks serious literary, artistic, political or scientific value for minors.

Sec. 9. Minnesota Statutes 1976, Section 617.292, Subdivision 8, is amended to read:

Subd. 8. "Knowingly" means having general knowledge of, or reason to know, or a belief or ground for belief which warrants further inspection or inquiry or both, of:

(1) the character and content of any material which is reasonably susceptible of examination by the defendant, and

(2) the age of the minor, provided however that an honest mistake shall constitute an excuse from liability hereunder under sections 617.291 to 617.297 if the defendant made a reasonable bona fide attempt to ascertain the true age of such the minor.

Sec. 10. Minnesota Statutes 1976, Section 617.26, is amended to read:

617.26 [MAILING AND CARRYING OBSCENE MATTER.] Every person who shall deposit or cause to be deposited in any post office in the state, or place in charge of any express company or other common carrier or person for transportation, any of the materials, articles or things specified in section 617.241 section 1 or 617.25, or any circular, book, pamphlet, advertisement or notice relating thereto, with the intent of having the same conveyed by mail, express, or in any other manner; or who shall knowingly or wilfully receive the same with intent to carry or convey it, or shall knowingly carry or convey the same by express, or in any other manner except by United States mail, shall be guilty of a misdemeanor. The provisions of this section and section 617.25 shall not be construed to apply to an article or instrument used by physicians lawfully practicing, or by their direction or prescription, for the cure or prevention of disease.

Sec. 11. Minnesota Statutes 1976, Section 617.27, is amended to read:

617.27 [SEARCH WARRANT; DESTRUCTION OF PROPERTY.] Every municipal A county court and justice of the

peace judge, upon complaint under oath that any person has in his possession or under his control any of the obscene books, papers, or other matter specified in ~~sections 617.241 to section 1 of this act, or sections 617.243, 617.25, 617.251, and 617.26~~, shall issue a warrant directed to the sheriff or any constable of the county, therein directing him to search for, seize, and take possession of ~~such the~~ obscene matter; and, upon conviction of the person in whose possession the same shall be found, shall cause ~~such the~~ matter to be destroyed, and the fact to be entered upon the records of the court.

Sec. 12. [REPEALER.] *Minnesota Statutes 1976, Section 617.241 is repealed.*"

Strike the title in its entirety and insert:

"A bill for an act relating to obscenity; prohibiting the promotion and dissemination of obscene materials; providing penalties; amending Minnesota Statutes 1976, Sections 617.26; 617.27; 617.291, Subdivision 2; 617.292, Subdivisions 4, 6, 7 and 8; and Chapter 609, by adding sections; repealing Minnesota Statutes 1976, Section 617.241."

And when so amended the bill do pass. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S. F. No. 1697 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MEMBERS EXCUSED

Messrs. Merriam and Tennesen were excused from the Session of today. Mr. Menning was excused from the Session of today at 2:15 o'clock p.m. Mr. Keefe, J. was excused from the Session of today at 2:45 o'clock p.m. Mr. Gunderson was excused from the Session of today at 4:00 o'clock p.m.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Monday, March 6, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate